

ASSET PURCHASE AGREEMENT

Among

NORZINC LTD.

and

NORZINC-NEWFOUNDLAND LTD.

and

CANTERRA MINERALS CORPORATION

October 1, 2021

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ASSET PURCHASE AGREEMENT

THIS AGREEMENT made as of October 1, 2021.

AMONG:

NORZINC LTD., a corporation existing under the laws of the Province of British Columbia

(the “**Seller**”)

AND:

NORZINC-NEWFOUNDLAND LTD., a corporation existing under the laws of the Province of British Columbia

(“**NorZinc-Newfoundland**”)

AND:

CANTERRA MINERALS CORPORATION, a corporation existing under the laws of the Province of British Columbia

(the “**Buyer**”)

WHEREAS

- A. The Seller, either directly or indirectly through an Affiliate (as hereinafter defined) is the sole registered and beneficial owner of the Purchased Assets (as hereinafter defined) and wishes to sell the Purchased Assets to the Buyer;
- B. The Buyer wishes to purchase the Purchased Assets from the Seller; and
- C. The Seller, its wholly-owned subsidiary, NorZinc-Newfoundland, and the Buyer have agreed to enter into this Agreement to set forth the terms and conditions related to the sale of the Purchased Assets by the Buyer.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants, agreements, representations, warranties and indemnities herein contained and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each Party), the Parties covenant and agree as follows:

1. INTERPRETATION

1.1 Defined Terms

In this Agreement, unless the context otherwise requires, the following words and expressions have the following meanings:

“**Affiliate**” means any person which directly or indirectly controls, or is controlled by, or is under common control with, a party, and for these purposes “control” is the power whether by contract or ownership of

equity interests to select a majority of the board of directors or other supervisory management authority of an entity, whether directly or indirectly through a chain of entities that are controlled within the foregoing meaning;

“**Agreement**” means this asset purchase agreement, including the Schedules as the same may be amended pursuant to the terms hereof;

“**Altius**” has the meaning set forth in Part II of Schedule “E”;

“**Ancillary Agreements**” means all other agreements, certificates and other instruments or documents delivered or given pursuant to this Agreement;

“**Announcement**” has the meaning set forth in Section 4.5(a);

“**Applicable Laws**” means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, ordinances, judgements, injunctions, determinations, awards, decrees or other requirements of any Governmental Authority, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority or self-regulatory authority (including a stock exchange, but excluding any Indigenous Groups), and the term "applicable" with respect to such laws and in a context that refers to one or more Parties, means such laws as are applicable to such Party or its business, undertaking, property or securities and emanate from a person having jurisdiction over the Party or Parties or its or their business, undertaking, property or securities;

“**Atlantic Zinc**” has the meaning set forth in Part I of Schedule “C”;

“**Atlantic Zinc Assignment Agreement**” has the meaning set forth in Part I of Schedule “C”;

“**BAR**” means the 51-102F4 – *Business Acquisition Report* to be prepared in respect of the transactions contemplated pursuant to this Agreement;

“**Business Day**” means any day, other than a Saturday, Sunday or statutory holiday in British Columbia or Newfoundland and Labrador;

“**Buyer Financial Statements**” means the interim financial statements of the Buyer for the six month period ended June 30, 2021 and the audited annual financial statements for the period ended December 31, 2020;

“**Buyer Identification Period**” has the meaning set forth in Section 4.6(g);

“**Buyer Indemnified Persons**” has the meaning set forth in Section 7.1;

“**Buyer Public Disclosure Record**” means the documents filed by the Buyer under its profile on SEDAR at www.sedar.com;

“**Buyer Shares**” means the common shares of the Buyer;

“**Cash Purchase Price**” means the sum of \$250,000;

“**Celtic**” has the meaning set forth in Part I of Schedule “C”;

“**Celtic Assignment Agreement**” has the meaning set forth in Part I of Schedule “C”;

“**Claim**” means any claim, demand, suit, action, cause of action, cost recovery action, proceeding, investigation, charge, ticket, summons, citation, direction, inquiry, order, administrative or regulatory requirement or determination, injunction, decision, judgment or directive of any kind whatsoever and any other assertion of or with respect to liability or responsibility of any kind whatsoever or whenever arising, asserted or threatened, formally or informally, pursuant to or based upon Environmental Laws or any other Applicable Laws, or pursuant to any agreement or contract or at common law or in equity (whether arising in respect of tort, contract or otherwise);

“**Closing**” means the completion of the purchase and sale of the Purchased Assets;

“**Closing Date**” means November 15, 2021, provided that all conditions precedent to Closing as set forth in Article 5 (other than those conditions precedent that by their nature are to be satisfied at Closing) have been satisfied or waived by the applicable Party or Parties;

“**Consideration Shares**” means 6,625,000 Buyer Shares, representing approximately 9.1% of the issued and outstanding Buyer Shares;

“**Contracts**” means all agreements, arrangements, understandings, commitments, indentures, contracts, leases, royalties and undertakings (whether oral, or in written, paper, or electronic form), to which a person is a party or a beneficiary or pursuant to which any of its property or assets are or may be affected;

“**Convertible Securities**” means any security convertible, exchangeable or exercisable for or into, with or without consideration, Buyer Shares or other equity or voting securities of the Buyer, including any convertible debt securities, warrants, options or other rights issued by the Buyer;

“**Direct Claim**” has the meaning set forth in Section 7.4;

“**Effective Time**” means 11:59 a.m. in Vancouver, British Columbia, on the Closing Date;

“**Encumbrances**” means any mortgage, charge, hypothecation, lien, security interest, title retention agreement, option, adverse claim, exception, easement, encroachment, servitude, restriction on use, right of occupation, any matter capable of registration, right of first offer or refusal or similar right, or other title defect, or notice on title, or other encumbrance of any kind or nature whatsoever (including any agreement to give any of the foregoing), whether or not registered or registrable or whether consensual or arising by operation of law (statutory or otherwise);

“**Environment**” means the air (including all layers of the atmosphere and indoor air), land (including soil, rock, sediments, fill, lands submerged under water), and water (including oceans, lakes, rivers, streams, groundwater and surface water);

“**Environmental Laws**” means all Applicable Laws relating to the protection, reclamation and remediation of the Environment, the import, manufacture, storage, release, sale, use, handling, transport, disposal or existence of Hazardous Materials, or the health or safety of the workplace, including all common law related thereto;

“**Environmental Liabilities**” means any and all Claims and Expenses instituted, required, made, imposed, rendered, issued or arising under or pursuant to any Environmental Law or other Applicable Law, including any obligations under any registration, consent, certificate, approval or other authorization pertaining to the Environment. For greater certainty, Environmental Liabilities include, any of the foregoing relating to or

in connection with the care, maintenance, construction, repair, operation, use, deactivation, dismantling, removal, reclamation, remediation and abandonment of mines and related buildings, mining-related infrastructure and equipment, rights of way, access roads or any other means of ingress or egress, waste rock, mine tailings, and water affected by mining operations;

“**Expenses**” means, in respect of any matter, all liabilities, obligations, duties, losses, damages (but excluding consequential, indirect, special and punitive damages), costs, expenses (including reasonable legal and other professional fees and expenses and disbursements, interest, penalties and amounts paid in settlement but excluding punitive, exemplary or aggravated damages), penalties, fines and monetary sanctions and all amounts paid to settle a Claim, or to satisfy any judgment, order, decree, directive, award or other obligation to pay any amount of whatever nature or kind;

“**Glencore**” has the meaning set forth in Part I of Schedule “C”;

“**Governmental Authority**” means (a) any multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign; (b) any subdivision, agent, commission, commissioner, bureau, board or authority of any of the foregoing; (c) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) any stock exchange, provided that an Indigenous Group shall not be considered a “Governmental Authority” for the purposes of this Agreement;

“**Hazardous Materials**” means any solid, liquid, gas, odour, heat, sound, vibration, radiation or combination of them that may cause pollution to the Environment or cause adverse effects on human health or animals and includes any contaminant, waste, or substance or material defined, prohibited, regulated or reportable pursuant to any Environmental Law;

“**Indemnified Party**” has the meaning set forth in Section 7.4(a);

“**Indemnifying Party**” has the meaning set forth in Section 7.4(a);

“**Indigenous Claim**” means any claim, written assertion or demand, whether proven or unproven, made by any Indigenous Group with respect to aboriginal rights, title or interests;

“**Indigenous Group**” means any band, band council, tribal council or other governing body, however organized, that is established by aboriginal peoples of Canada within the meaning of section 35(2) of the *Constitution Act, 1982*;

“**Initial Lock Up Period**” has the meaning set forth in Section 4.6(e);

“**Interim Period**” means the period between the close of business on the date of this Agreement and the earlier of the Closing Date or the date on which this Agreement is lawfully terminated pursuant to Section 9.1;

“**Keats**” has the meaning set forth in Part II of Schedule “E”;

“**Long Lake Agreement**” has the meaning set forth in Part I of Schedule “C”;

“**Long Lake Project**” means the mineral exploration and mining, surface and access rights, including the Real Property as applicable, or licenses, leases, grants and other rights issued to or held by NorZinc-

Newfoundland relating to the Long Lake Project (which includes the Long Lake Main Zone deposit), as more particularly described in Schedule “A”, Part I;

“**Material Adverse Change**” means a change, effect, circumstance, event or state of facts that, when taken individually or together with all other adverse changes, effects, circumstances, events or states of fact, is material and adverse with respect to the Purchased Assets taken as whole; provided, however, that no change, effect, circumstance, event or state of facts arising from or relating to any of the following shall be deemed to constitute a Material Adverse Change, or shall be taken into account in determining whether a Material Adverse Change has occurred: (a) any change or condition generally affecting the mining industry, (b) the state of the securities, credit, banking, capital or commodity markets in general, (c) any change in the price of gold, (d) any change relating to the rate at which any currency can be exchanged for any other currency, (e) general political, economic or financial conditions, including in Canada or the United States, (f) any adoption, implementation, change or proposed change in Applicable Laws or accounting standards (or in any interpretation of Applicable Laws or accounting standards), (g) any natural disaster or general outbreak of illness (including COVID-19), (h) any terrorist attack, armed hostilities, military conflicts, or any governmental response to any of the foregoing, or (i) the announcement or execution of this Agreement or the implementation of any of the transactions contemplated herein, except, in the case of subparagraphs (a), (e), (f), (g) or (h), where such event, change, effect or circumstance has a materially disproportionate effect on the Purchased Assets, taken as a whole, relative to other comparable operations in the mining industry generally, and provided further that references in this Agreement to dollar amounts are not intended to be and shall not be deemed to be illustrative or interpretive for purposes of determining whether a “**Material Adverse Change**” has occurred;

“**Material Consents**” means the consents and approvals required from third parties (who are not Governmental Authorities) to sell and purchase the Purchased Assets in accordance with this Agreement as set forth in Schedule “C”, Part I and Part II;

“**NI 43-101**” means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*;

“**NorZinc-Newfoundland**” means NorZinc-Newfoundland Ltd., a company incorporated pursuant to the laws of the Province of British Columbia, which is a wholly-owned subsidiary of the Seller;

“**Notice of Claim**” has the meaning set forth in Section 7.4(a);

“**Outside Date**” means December 15, 2021;

“**Parties**” means, together, the Buyer, the Seller and NorZinc-Newfoundland, and “**Party**” means any one of them;

“**Permitted Encumbrances**” means those encumbrances that are listed in Schedule “B”;

“**Proceedings**” has the meaning set forth in Section 7.10;

“**Project Operations**” means any and all activities or operations carried on by the Seller or its Affiliates associated with mineral exploration, development, extraction, processing, remediation or reclamation on or in connection with the Purchased Assets and other ancillary operations related or connected to the foregoing, in each case as currently conducted;

“**Purchase Price**” means the Cash Purchase Price and the Securities Purchase Price;

“**Purchased Assets**” means, collectively, the Purchased Mineral Properties, the Purchased Personal

Property, the Real Property and the Records;

“Purchased Mineral Properties” means, collectively, the South Tally Pond Project, the Tulks South Project, the Long Lake Project and the Victoria Mine, together with the buildings, structures and improvements situated thereon;

“Purchased Personal Property” means the chattels and appurtenances situated on the Purchased Mineral Properties, including the camp, core sheds, cell phone tower and administrative office, as well as the core facility that was previously a pub, that is located on Crown Lease #23050, being those listed on Schedule “F”;

“Real Property” means the fee simple surface rights owned by NorZinc-Newfoundland, together with all easements, rights of way and other rights and privileges appurtenant thereto, as more particularly described at Schedule “G”;

“Records” means copies of any maps, drill logs and other drilling data, core tests, core samples, drill core, reports, data, surveys, assays, studies, analyses, drawings, reports or records, in native format, that relate exclusively to the Purchased Assets, including any such items held by consultants of the Seller and its Affiliates;

“Reid Agreement” has the meaning set forth in Part I of Schedule “E”;

“Reid Newfoundland” has the meaning set forth in Part I of Schedule “E”;

“Release” means release, spill, leak, pump, pour, emit, empty, discharge, inject, escape, leach, dispose, dump, deposit, spray, bury, abandon, incinerate, seep, place, or any other similar action;

“Remaining Common Shares” has the meaning set forth in Section 4.6(e);

“Representative” means each director, officer, employee, agent, solicitor, accountant, consultant, or financial advisor of a Party and its Affiliates and all other persons acting for or in conjunction with such Party;

“Required Regulatory Approvals” means the consents and approvals required from Governmental Authorities to sell and purchase the Purchased Assets in accordance with this Agreement, as set forth in Schedule “D”, Part I and Part II;

“Royalty Agreements” means those royalty agreements to which the Purchased Mineral Properties are subject, being those described in Schedule “E”;

“Rubicon” has the meaning set forth in Part II of Schedule “E”;

“Sale Notice” has the meaning set forth in Section 4.6(g);

“Sale Shares” has the meaning set forth in Section 4.6(g);

“Sales Taxes” has the meaning set forth in Section 2.3(b);

“Second Lock Up Period” has the meaning set forth in Section 4.6(f);

“Securities Purchase Price” means the number of the Consideration Shares multiplied by the ascribed value of \$0.30 per Consideration Share;

“**SEDAR**” means the publicly accessible website of the System for Electronic Document Analysis and Retrieval, as maintained by the Canadian Securities Administrators or any successor entity;

“**Seller Indemnified Persons**” has the meaning set forth in Section 7.2;

“**Seller Public Disclosure Record**” means the documents filed by the Seller under its profile on SEDAR at www.sedar.com;

“**Seller Technical Report**” means the technical report under NI 43-101 dated October 22, 2018 and entitled “Technical Report and Updated Mineral Resource Estimate on the Lemarchant Deposit South Tally Pond Property, Central Newfoundland, Canada” prepared by Michael Cullen, P.Geo., Matthew Harrington, P.Geo. and Michael J. Vande Guchte, P.Geo.;

“**South Tally Agreement**” has the meaning set forth in Part II of Schedule “E”;

“**South Tally Pond Project**” means the mineral exploration and mining, surface and access rights, including the Real Property as applicable, or licenses, leases, grants and other rights issued to or held by NorZinc-Newfoundland relating to the South Tally Pond Project (which includes the Lemarchant deposit), as more particularly described in Schedule “A”, Part II;

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

“**Tax Authority**” means the Receiver General for Canada and any other Governmental Authority having taxing authority and their respective successors, if any;

“**Tax Returns**” means all federal, provincial, local and foreign returns, reports, declarations, elections, notices, filings, forms, statements and other documents (whether in written, electronic or other form) and any amendments, schedules, attachments, supplements, appendices and exhibits thereto, which have been prepared or filed or are required to be prepared or filed in respect of Taxes;

“**Taxes**” includes any taxes, duties, assessments, imposts, fees, dues, withholdings, levies and other charges of any nature imposed by any Tax Authority and includes all interest, penalties, fines, additions to tax or other additional amounts imposed by any Tax Authority including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, withholding, business, property, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervailing and anti-dumping and all employment insurance, health insurance and Canada, Quebec and other government pension plan and other employer plan premiums, contributions or withholdings and all other taxes and similar governmental charges of any kind imposed by any Governmental Authority;

“**Third Party Claim**” has the meaning set forth in Section 7.4(a);

“**Transfer**” means to transfer, sell, assign, gift, pledge, encumber, hypothecate, mortgage, exchange or otherwise dispose of;

“**TSXV**” means the TSX Venture Exchange;

“**Tulks Resources**” has the meaning set forth in Part I of Schedule “C”;

“**Tulks Resources Assignment Agreement**” has the meaning set forth in Part I of Schedule “C”;

“**Tulks South Agreements**” has the meaning set forth in Part I of Schedule “C”;

“**Tulks South Project**” means the mineral exploration and mining, surface and access rights, including the Real Property as applicable, or licenses, leases, grants and other rights issued to or held by NorZinc-Newfoundland relating to the Tulks South project (which includes the Boomerang-Domino and Tulks East A, B & C deposits), as more particularly described in Schedule “A”, Part III;

“**Victoria Mine**” means the mineral exploration and mining, surface and access rights, including the Real Property as applicable, or licenses, leases, grants and other rights issued to or held by NorZinc-Newfoundland relating to the Victoria Mine project, as more particularly described in Schedule “A”, Part IV;

“**Victoria Mine Agreement**” has the meaning set forth in Part II of Schedule “E”;

“**Windarra**” has the meaning set forth in Part I of Schedule “C”; and

“**Windarra Assignment Agreement**” has the meaning set forth in Part I of Schedule “C”.

1.2 Construction and Interpretation

The division of this Agreement into Sections, the insertion of headings and the provision of a table of contents are for convenience only, do not form a part of this Agreement and will not be used to affect the construction or interpretation of this Agreement.

Unless otherwise specified:

- (a) each reference in this Agreement to “**Section**” and “**Schedule**” is to a Section of, and a Schedule to, this Agreement;
- (b) each reference to a statute is deemed to be a reference to that statute, and to the regulations made under that statute, as amended or re-enacted from time to time;
- (c) words importing the singular include the plural and vice versa and words importing gender include all genders;
- (d) words importing persons include individuals, corporations, partnerships, associations, trusts, unincorporated organizations, governmental bodies and other legal or business entities of any kind whatsoever;
- (e) the words “including” and “includes” mean “including (or includes) without limitation”;
- (f) the language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against either Party;
- (g) references to time of day or date mean the local time or date in Vancouver, British Columbia; and
- (h) unless otherwise specified, all references to amounts of money mean lawful currency of Canada.

1.3 Knowledge

Where any representation or warranty in this Agreement is expressly qualified by reference to the knowledge of the Seller, it is deemed to refer to the actual knowledge of Rohan Hazelton, President and Chief Executive Officer of the Seller, after due inquiry.

Where any representation or warranty in this Agreement is expressly qualified by reference to the knowledge of the Buyer, it is deemed to refer to the actual knowledge of Christopher Pennimpe, President and Chief Executive Officer of the Buyer, after due inquiry.

1.4 Applicable Laws

This Agreement will be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the Parties will be governed by, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

1.5 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination will not impair or affect the validity, legality or enforceability of the remaining provisions hereof, and each provision is hereby declared to be separate, severable and distinct.

1.6 Calculation of Days

Unless otherwise specified, time periods within or following which a payment is to be made or other action is to be taken under this Agreement will be calculated by excluding the day on which the period commences and including the day which ends the period.

1.7 Business Days

Whenever any payment to be made or other action to be taken under this Agreement is required to be made or taken on a day other than a Business Day, such payment will be made or action taken on the next following Business Day.

1.8 Time of Essence

Time will be of the essence of this Agreement. Any time or date herein referenced may be extended upon the written consent of all Parties, acting reasonably, but such consent will not, unless otherwise expressly stated, waive this provision as regards the future conduct hereunder of the Parties.

1.9 Schedules

- (a) The Schedules form an integral part of this Agreement.
- (b) Any matter disclosed on any of the Schedules shall be deemed to be disclosed on each other Schedule relating to such matters to the extent that the disclosure is reasonably apparent from its face to be applicable to such other Schedule. Any disclosure made in any particular numbered Schedule that expressly states that it is an exception to one or more specified representations and warranties in the accompanying Section of this Agreement, or with respect to which it is reasonably apparent on its face that it is an exception to one or more specified representations and warranties in the accompanying Section of this Agreement, shall constitute an exception to the representations and warranties contained

in such Section, whether or not the representation contains the phrase “except as set forth in Schedule” or similar language.

- (c) Disclosure of any information in the Schedules that is not strictly required under this Agreement has been made for informational purposes only and does not imply disclosure of all matters of a similar nature.

2. PURCHASE AND SALE

2.1 Purchased Assets to be Purchased and Sold

Subject to Section 2.2, the Seller agrees to sell, assign and transfer to the Buyer, either directly or indirectly through an Affiliate, the Purchased Assets and the Buyer agrees to purchase from the Seller, on the Closing Date and with effect as of the Effective Time, the Purchased Assets.

2.2 Consideration Payable by the Buyer

In consideration for the Purchased Assets, the Buyer will pay the Purchase Price on Closing by paying in cash to the Seller (or as the Seller may otherwise direct in writing) the Cash Purchase Price and by issuing the Consideration Shares to the Seller. The Seller acknowledges and agrees that each certificate or DRS Advice representing the Consideration Shares shall bear the following legend: “Unless permitted under securities legislation, the holder of the security must not trade the security before *[insert date that is four months and one day after the distribution date]*.”, as well as legends with respect to the Transfer restrictions set forth in Sections 4.6(e), (f) and (g). The Parties agree that the Purchase Price for the Purchased Assets shall be allocated as follows: South Tally Pond (Lemarchant) equal to 42%; Boomerang/Domino equal to 33%; Tulks South (Reid 228) equal to 16%; Long Lake (Reid 229) equal to 7%; and Victoria Mine (Folio Leases) equal to 2%.

2.3 Tax Matters

- (a) The Buyer is liable for and will pay all federal, provincial and harmonized sales taxes, goods and services taxes and all other Taxes or other like charges properly payable in accordance with Applicable Laws by a buyer upon and in connection with the conveyance and transfer of the Purchased Assets by the Seller to the Buyer.
- (b) All amounts payable by the Buyer to the Seller pursuant to this Agreement do not include any goods and services, harmonized sales, sales, retail sales, use, consumption, personal property, customs, excise, stamp, transfer, or similar taxes, duties or charges (collectively, the “**Sales Taxes**”) and all Sales Taxes are the responsibility and for the account of the Buyer. If the Seller is required by Applicable Laws to collect any Sales Taxes from the Buyer, the Buyer will pay such Sales Taxes to the Seller concurrent with the payment of any amount payable pursuant to this Agreement, unless the Buyer qualifies for an exemption from any such applicable Sales Taxes, in which case the Buyer will, in lieu of payment of applicable Sales Taxes to the Seller, deliver to the Seller such certificates, elections, or other documentation required by Applicable Laws and prepared to the satisfaction of the Seller, acting reasonably, to substantiate and effect the exemption claimed by the Buyer. If the Seller is required by Applicable Laws to collect any applicable Sales Taxes from the Buyer, the Buyer shall pay such Sales Taxes to the Seller concurrent with the payment of any consideration payable pursuant to this Agreement upon which such Sales Taxes are calculated. Where the Seller is not required by Applicable Laws to collect applicable Sales Taxes, the Buyer shall pay such Sales Taxes directly to the appropriate taxing authority and shall provide evidence of such payment to the Seller

within 10 Business Days of payment of such amounts.

- (c) The Parties will use their commercially reasonable efforts to minimize (or eliminate) any Sales Taxes that are applicable to the purchase and sale of the Purchased Assets, including any taxes payable under the *Excise Tax Act* (Canada) by, among other things, making such elections and taking such steps as may be provided for under that Act, including making a joint election in a timely manner under Section 167 of Part IX of the *Excise Tax Act* (Canada). The Buyer shall, to the extent permitted by subsection 228(4) of the *Excise Tax Act* (Canada), self-assess applicable Taxes acquired under this Agreement.
- (d) The Parties shall execute and deliver all such Tax elections and forms as they may mutually agree upon.

2.4 Transfer Taxes

The Buyer will pay directly to the appropriate taxing authorities all amounts properly payable by the Buyer pursuant to Section 4.6(a) (other than Taxes payable by the Seller under Applicable Laws). In the event that the Seller is required to pay or remit any such amounts, the Buyer will indemnify and save the Seller harmless in respect of the same.

3. REPRESENTATIONS AND WARRANTIES

3.1 The Seller's and NorZinc-Newfoundland's Representations and Warranties

Each of the Seller and NorZinc-Newfoundland represents and warrants to the Buyer as follows, and acknowledges that the Buyer is relying on such representations and warranties in entering into this Agreement and performing its obligations hereunder:

- (a) **Organization and Qualification.** Each of the Seller and NorZinc-Newfoundland is a corporation existing and in good standing under the laws of the Province of British Columbia. Each of the Seller and NorZinc-Newfoundland has the corporate power, authority and capacity to own the Purchased Assets, to carry on Project Operations, to execute and deliver this Agreement and the Ancillary Agreements (to the extent it is a party hereto or thereto), and to perform its obligations under this Agreement and the Ancillary Agreements (to the extent that it is a party hereto or thereto or becomes liable to perform such obligations). Each of the Seller and NorZinc-Newfoundland has the corporate power, authority and capacity to dispose of the Purchased Assets to the Buyer. Each of the Seller and NorZinc-Newfoundland is registered, licensed or otherwise qualified to do business under the laws of each jurisdiction where such registration is required.
- (b) **Authority Relative to this Agreement.** The execution and delivery of this Agreement and all Ancillary Agreements and instruments to be executed by the Seller and NorZinc-Newfoundland as contemplated herein and the completion of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of the Seller and NorZinc-Newfoundland. This Agreement has been duly executed and delivered by each of the Seller and NorZinc-Newfoundland and is a legal, valid and binding obligation of the Seller enforceable by the Buyer against the Seller and NorZinc-Newfoundland in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws of general application affecting the enforcement of creditors' rights and subject to the qualification that specific performance and injunction, being equitable remedies, may only be granted in the discretion of a court of competent jurisdiction.

- (c) **No Violation.** Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby conflict with, will result in a breach or termination of, or will accelerate the performance required by: (i) any agreement to which the Seller or NorZinc-Newfoundland is a party or by which their respective assets are bound; (ii) the constating documents of the Seller or any of its Affiliates, including without limitation, NorZinc-Newfoundland, or any resolution passed by the directors (or any committee thereof) or shareholders of the Seller or NorZinc-Newfoundland; or (iii) any statute or any judgment, decree, order, rule, policy or regulation of any Governmental Authority applicable to the Purchased Assets.
- (d) **Title to Purchased Assets.** The Seller, directly or indirectly through NorZinc-Newfoundland, is the sole legal and beneficial owner, lessee, or licensee of the Purchased Assets, and has good and marketable title to the Purchased Assets, with the exception of the Real Property, or the right to lease, each of the Purchased Assets as applicable, free and clear of all Encumbrances save and except the Permitted Encumbrances. No proceedings have been instituted to invalidate or assert an adverse claim or challenge against, or to the ownership of, or title to, or use of any part of the Purchased Assets and no person, other than the Buyer, has any agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option for the purchase of any interest in any of the Purchased Assets and no person has any royalty, earn-in right, back-in right, right of first refusal, area of interest or other similar interest whatsoever, related to any part of the Purchased Assets, other than the royalties and other rights granted pursuant to the Royalty Agreements.
- (e) **Purchased Assets.** Schedule “A”, “F” and “G” (respectively, the list of the Purchased Mineral Properties, the list of the Purchased Personal Property and the list of the Real Property) each sets out a current, complete and accurate list of the Purchased Assets, including a brief description of each Purchased Asset. The Seller has made available to the Buyer copies of all material books and records that are in the possession or control of the Seller and its Affiliates, including without limitation, NorZinc-Newfoundland, that are relative to the Purchased Assets. The Purchased Personal Property is in good working order and repair, subject to reasonable wear and tear.
- (f) **Property.** All work and activities carried out by the Seller or its Affiliates, including without limitation, NorZinc-Newfoundland, on the Purchased Mineral Properties and the Real Property have been carried out in material compliance with all Applicable Laws and neither the Seller nor any of its Affiliates, including without limitation, NorZinc-Newfoundland, nor, to the knowledge of the Seller and NorZinc-Newfoundland, any other person, has received any notice of violation of any Applicable Laws in relation to the Purchased Assets.
- (g) **Purchased Mineral Properties.**
 - (1) Each fee simple mining grant and mineral licence comprising the Purchased Mineral Property has been properly recorded in compliance with Applicable Laws and, where applicable, comprises a valid and subsisting fee simple mining grant, mineral licence or mining lease, as applicable, and is in good standing under all Applicable Laws.
 - (2) The Seller and/or NorZinc-Newfoundland, as the case may be, has paid all fees, taxes, assessments, rentals, levies or other payments and filed all reports and returns required to be made and filed relating to each of the Purchased Mineral

Properties, all claims comprising each of the Purchased Mineral Properties have been duly and validly located and recorded, and no proceedings have been instituted to invalidate or assert an adverse claim or challenge against or to the ownership of title to the Purchased Mineral Properties, nor, to the best of its knowledge, is there any basis therefor, and no other person is entitled to acquire or purchase or enter into an agreement to acquire or purchase the Purchased Minerals Properties or any portion thereof, and no person has any royalty or other interest whatsoever in production from or the profits earned from any part of any of the Purchased Mineral Properties, other than the Royalty Agreements.

- (3) There exists full and free legal access on and over the surface of the areas comprising each of the Purchased Mineral Properties, and there is no fact or condition which would result in the interference with or termination of such access.
- (h) **Mineral Resources**. The estimated indicated, measured and inferred mineral resources for the Purchased Mineral Properties that are comprised within the South Tally Project as disclosed in the Seller Public Disclosure Record and the Seller Technical Report has been disclosed in accordance with all Applicable Laws. There has been no material reduction in the aggregate amount of estimated mineral resources, taken as a whole, from the amounts most recently disclosed in the Seller Public Disclosure Record. The Seller Technical Report complied at the time of filing with the requirements of NI 43-101 in all material respects.
- (i) **Royalty Agreements**. The Seller has provided the Buyer with true and complete copies of all of the Royalty Agreements, which are fully and accurately described in Schedule "E". Neither the Seller nor its Affiliates, including without limitation, NorZinc-Newfoundland, nor to the knowledge of the Seller, any other party to any of the Royalty Agreements is in default under any of the Royalty Agreements and there has not occurred any event which, with the lapse of time or giving of notice or both, would constitute a default under any of the Royalty Agreements by the Seller or its Affiliates, including without limitation, NorZinc-Newfoundland, or, to the knowledge of the Seller, any other party to the Royalty Agreements. To the best of the knowledge of the Seller, each of the Royalty Agreements is in full force and effect, unamended by written or oral agreement. Neither the Seller nor any of its Affiliates, including without limitation, NorZinc-Newfoundland, has received any notice of a default under any of the Royalty Agreements or of a dispute in respect of any of the Royalty Agreements. No consent is required nor is any notice required to be given under any of the Royalty Agreements by any party thereto or any other person in connection with the completion of the transactions contemplated by this Agreement except as disclosed in Part I of Schedule "C" hereto. The completion of the transactions contemplated by this Agreement will not result in any additional or more onerous obligation on the Buyer under any of the Royalty Agreements.
- (j) **Environmental Liabilities and Compliance with Environmental Laws**. The Project Operations as carried on by the Seller or its Affiliates, including without limitation, NorZinc-Newfoundland, have been carried on and are currently carried on in material compliance with all Environmental Laws. Neither the Seller nor its Affiliates, including without limitation, NorZinc-Newfoundland have used any of the Purchased Assets, or permitted them to be used, to generate, manufacture, refine, treat, transport, store, handle, dispose of, transfer, produce or process any Hazardous Materials except in material compliance with all Environmental Laws. To the knowledge of the Seller, no part of the Purchased Assets contains any Hazardous Materials (i) other than in compliance with Environmental Laws, or (ii) which exceeds an applicable soil, groundwater or other

environmental, health or safety criterion or standard published or enacted by a Governmental Authority having jurisdiction over the Purchased Assets. To the knowledge of the Seller, there are no underground storage tanks, pits, lagoons, waste disposal sites, above-ground storage tanks or materials or other assets containing asbestos or polychlorinated biphenyls located on the Purchased Mineral Properties. Neither the Seller nor any of its Affiliates, including without limitation, NorZinc-Newfoundland, has received written notice of and, to the knowledge of the Seller, there are no legal proceedings in progress, pending or threatened (i) investigating or alleging the violation or possible violation of any Environmental Law in connection with the Purchased Assets, (ii) to determine whether any study or remedial action is required to respond to a Release or the presence of any Hazardous Materials on the Purchased Assets, or (iii) requiring or alleging the Seller or any of its Affiliates, including without limitation, NorZinc-Newfoundland, or representatives is responsible for remediation, clean-up or corrective action of any kind pursuant to any Environmental Law. The Seller has disclosed all material environmental reports and audits relating to the Purchased Mineral Properties in its or any of its Affiliates' possession or control (including without limitation, NorZinc-Newfoundland).

(k) **Indigenous Matters.**

- (1) To the knowledge of the Seller and NorZinc-Newfoundland, no Indigenous Groups have asserted an Indigenous Claim in connection with the Purchased Mineral Properties.
- (2) To the knowledge of the Seller and NorZinc-Newfoundland, there are no current, pending or threatened claims by any Indigenous Group that could reasonably be expected to prevent or materially impair, the exploration, development, construction and operation of the Purchased Mineral Properties.
- (3) To the knowledge of the Seller and NorZinc-Newfoundland, there is no memorandum of agreement, exploration, impact and benefit or any other written agreement in effect between the Seller or any of its Affiliates, including without limitation, NorZinc-Newfoundland, with any Indigenous Group in connection with the Purchased Assets.

- (l) **No Expropriation.** No property or asset of the Seller or its Affiliates, including without limitation, NorZinc-Newfoundland, relating to the Purchased Assets has been taken or expropriated by any Governmental Authority nor has any notice or proceeding in respect thereof been given or commenced nor, to the knowledge of the Seller, is there any intent or proposal to give any such notice or to commence any such proceeding.

- (m) **Real Property Matters.** Schedule "G" sets forth each parcel of Real Property. The Real Property is owned by NorZinc-Newfoundland and constitutes all of the real property used in or necessary for the conduct of the Project Operations as currently conducted. Neither the Seller, NorZinc-Newfoundland nor any of their respective Affiliates leases any buildings or real property that is used in or is necessary for the conduct of the Project Operations as currently conducted. The Seller and NorZinc-Newfoundland have delivered to the Buyer copies of all title insurance policies, opinions and surveys in their possession with respect to each parcel of the Real Property. With respect to each parcel of Real Property:

- (1) NorZinc-Newfoundland is the registered owner, free and clear of all

Encumbrances, except for Permitted Encumbrances and those Encumbrances set forth in Schedule “B”;

- (2) NorZinc-Newfoundland has not leased or otherwise granted to any other person the right to use or occupy such Real Property or any portion thereof;
 - (3) NorZinc-Newfoundland’s use of the Real Property since December 20, 2013 has been open, notorious and uninterrupted;
 - (4) to the best of the knowledge of the Seller and NorZinc-Newfoundland, there are no unrecorded outstanding agreements, options, rights of first offer or rights of first refusal to purchase such Real Property or any portion thereof or interest therein; and
 - (5) the conduct of the Project Operations as presently conducted does not violate, and the use thereof in the manner presently used is not adversely affected by, any Applicable Laws including zoning and building by-laws, ordinances, regulations, covenants and official plans, nor does such use violate any covenant, restriction or easement affecting such Real Property or its use.
- (n) **Corrupt Practices.** None of the Seller, its Affiliates, including without limitation, NorZinc-Newfoundland, nor any of their respective officers, directors or employees has taken, committed to take or been alleged to have taken any action which would cause the Seller or any of its Affiliates, including without limitation, NorZinc-Newfoundland, to be in violation of the *Corruption of Foreign Public Officials Act* (Canada) (and the regulations promulgated thereunder) or any Applicable Laws of similar effect of any other jurisdiction, and to the knowledge of the Seller no such action has been taken by any of its agents, representatives or other persons acting on behalf of the Seller or any of its Affiliates, including without limitation, NorZinc-Newfoundland.
- (o) **Regulatory Approvals and Consents.** Save and except for the Material Consents listed in Part I of Schedule “C” and the Required Regulatory Approvals listed in Part I of Schedule “D”, no consent, regulatory approval or filing with, notice to, or waiver from any third person or Governmental Authority is required to be obtained or made by the Seller, or its Affiliates, including without limitation, NorZinc-Newfoundland, in connection with the execution and delivery of, and performance by the Seller of the obligations of the Seller and its Affiliates, including without limitation, NorZinc-Newfoundland, under this Agreement, the Ancillary Agreements or the consummation of the transactions contemplated hereby or thereby.
- (p) **Legal Proceedings.** There is no legal proceeding in progress, pending or, to the knowledge of the Seller, threatened against or affecting any of the Purchased Assets or title thereto, nor, to the knowledge of the Seller, is there any factual or legal basis on which any such legal proceeding could be commenced. There is no order outstanding against or affecting any of the Purchased Assets.
- (q) **Insolvency.** Neither the Seller nor any of its Affiliates, including without limitation, NorZinc-Newfoundland, has committed an act of bankruptcy or sought protection from its creditors from any court or pursuant to any legislation, proposed a compromise or arrangement to its creditors generally, taken any proceeding with respect to a compromise or arrangement, taken any proceeding to have itself declared bankrupt or wound up, as the case may be, taken any proceeding to have a receiver of any part of its assets appointed,

had any person holding any Encumbrance or receiver take possession of any of its property, had an execution or distress become enforceable or levied upon any portion of its property or had any petition for a receiving order in bankruptcy or application for a bankruptcy order filed against it, and at the Closing, neither the Seller nor NorZinc-Newfoundland will be an insolvent person (as that term is defined in the *Bankruptcy and Insolvency Act* (Canada)).

- (r) **Insurance**. The Seller and its Affiliates, including without limitation, NorZinc-Newfoundland, maintains insurance with reputable and sound insurers covering the Purchased Assets in such amounts and against such losses and claims as are generally maintained for comparable properties. Each of the insurance policies is valid and subsisting and in good standing, there is no default thereunder, and the Seller and its Affiliates, including without limitation, NorZinc-Newfoundland is entitled to all rights and benefits thereunder. There are no pending claims under any of the insurance policies and to the knowledge of the Seller, there are no circumstances which might entitle the Seller or its Affiliates, including without limitation, NorZinc-Newfoundland, to make a claim under any of the insurance policies or which might be required under any of the insurance policies to be notified to the insurers.
- (s) **Tax Matters**. Neither the Seller nor NorZinc-Newfoundland is a “non-resident” of Canada for purposes of the Tax Act.
- (t) **Tax Registrations**. Each of the Seller and NorZinc-Newfoundland is registered for GST/HST purposes under Part IX of the *Excise Tax Act* (Canada).
- (u) **Other**. All information known or which should be known to the Buyer concerning the Purchased Assets which might reasonably be regarded as material to a purchaser for value of the Purchased Assets has been disclosed in writing to the Buyer and all of the information provided by the Seller or any its Affiliates is true and correct in all material respects.

3.2 Buyer Representations and Warranties

The Buyer represents and warrants to the Seller and NorZinc-Newfoundland as follows and acknowledges that the Seller is relying on such representations and warranties in entering into this Agreement and performing its obligations hereunder:

- (a) **Organization and Qualification**. The Buyer is a corporation existing and in good standing under the laws of the Province of British Columbia and has the corporate power to enter into this Agreement and perform its obligations hereunder. The Buyer has all necessary corporate power and capacity to own or lease its properties and assets and to carry on its business as presently conducted. No act or proceeding has been taken or authorized by or against the Buyer by any other person in connection with any amalgamation, merger, consolidation, arrangement or reorganization of, or relating to, the Buyer. The Buyer is registered, licensed or otherwise qualified to do business under the laws of each jurisdiction where such registration is required.
- (b) **Authority Relative to this Agreement**. The execution and delivery of this Agreement and all Ancillary Agreements and instruments to be executed by it as contemplated herein and the completion of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of the Buyer. This Agreement has been duly executed and delivered by the Buyer and is a legal, valid and binding obligation

of the Buyer enforceable by the Seller and NorZinc-Newfoundland against the Buyer in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws of general application affecting the enforcement of creditors' rights and subject to the qualification that specific performance and injunction, being equitable remedies, may only be granted in the discretion of a court of competent jurisdiction.

- (c) **No Violation.** Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby conflict with, will result in a breach or termination of, or will accelerate the performance required by: (i) any agreement to which the Buyer is a party or its assets are bound; (ii) the constating documents of the Buyer or any resolution passed by the directors (or any committee thereof) or shareholders of the Buyer; or (iii) any statute or any judgment, decree, order, rule, policy or regulation of any Governmental Authority applicable to the Buyer or the properties or assets thereof.
- (d) **Consideration Shares.** Prior to Closing, the Consideration Shares will have been duly authorized for issuance and, upon issuance pursuant to the provisions hereof, the Consideration Shares will be validly issued as fully paid and non-assessable shares in the capital of the Buyer, listed on the TSXV.
- (e) **Share Capital.** The authorized share capital of the Buyer consists of an unlimited number of Buyer Shares and an unlimited number of preferred shares, of which 66,486,272 Buyer Shares were issued and outstanding as fully paid and non-assessable as at the date of this Agreement. Other than 2,382,500 Buyer Shares which are reserved for issuance upon the exercise of outstanding stock options and 16,596,680 Buyer Shares which are reserved for issuance upon the exercise of outstanding common share purchase warrants, there are no outstanding Convertible Securities as at the date hereof.
- (f) **Reporting Issuer Status.** The Buyer is a reporting issuer in good standing under the securities laws of the Provinces of British Columbia, Alberta and Manitoba.
- (g) **Stock Exchange Listing.** The Buyer Shares are currently listed and posted for trading on the TSXV. No order ceasing or suspending trading in the securities of the Buyer nor prohibiting the sale of such securities has been issued to the Buyer and, to the best of the knowledge of the Buyer, no investigations or proceedings for such purposes are pending or threatened.
- (h) **Buyer Public Disclosure Record.** The Buyer Public Disclosure Record is accurate in all material respects and omits no material facts, the omission of which would make the Buyer Public Disclosure Record materially misleading or incorrect at the time such statements were made. Except as disclosed in the Buyer Public Disclosure Record, there has not been any material change in the assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of the Buyer and there has not been any material adverse change in the business, operations or condition (financial or otherwise) or results of the operations of the Buyer (in each case on a consolidated basis) since December 31, 2020.
- (i) **Absence of Certain Changes.** Since December 31, 2020, the Buyer has carried on business in the ordinary course and there has not been:
 - (1) any material change in the assets, liabilities or obligations (absolute, accrued, contingent or otherwise), business, business prospects, condition (financial or otherwise) or results of operations of the Buyer and its Affiliates, other than those

- changes occurring in the ordinary course of business;
- (2) any material change in the share capital or long-term debt of the Buyer and its Affiliates; or
 - (3) any material change in accounting or tax practices followed by the Buyer, which has not been publicly disclosed in the Buyer Public Disclosure Record.
- (j) **Corrupt Practices.** None of the Buyer nor any of its Affiliates nor any of their officers, directors or employees has taken, committed to take or been alleged to have taken any action which would cause the Buyer or any of its Affiliates to be in violation of the *Corruption of Foreign Public Officials Act* (Canada) (and the regulations promulgated thereunder) or any Applicable Laws of similar effect of any other jurisdiction, and to the knowledge of the Buyer no such action has been taken by any of its agents, representatives or other persons acting on behalf of the Buyer or any of its Affiliates.
- (k) **Regulatory Approvals.** Save and except for the Material Consents listed in Part II of Schedule “C” and the Required Regulatory Approvals listed in Part II of Schedule “D”, no consent, regulatory approval or filing with, notice to, or waiver from any third person or Governmental Authority is required to be obtained or made by the Buyer in connection with the execution and delivery of, and performance by the Buyer of its obligations under, this Agreement, the Ancillary Agreements or the consummation of the transactions contemplated hereby or thereby.
- (l) **Legal Proceedings.** There is no material legal proceeding in progress, pending or, to the knowledge of the Buyer, threatened against or affecting the Buyer or any of its Affiliates nor, to the knowledge of the Buyer, is there any factual or legal basis on which any such legal proceeding could be commenced.
- (m) **Financial Statements.** The Buyer Financial Statements present fairly, in all material respects, the financial position of the Buyer as at the dates set forth therein and the results of its operations and the changes in its financial position for the periods then ended, in accordance with International Financial Reporting Standards applicable to public enterprises in Canada applied on a consistent basis. Other than as disclosed in the Buyer Financial Statements, there are no off-balance sheet transactions, arrangements, obligations (including contingent obligations) or other relationships of the Buyer with unconsolidated entities or other persons that may have a material current or future effect on the financial condition, changes in financial condition, results of operations, earnings, cash flow, liquidity, capital expenditures, capital resources, or significant components or revenues or expenses of the Buyer. The Buyer and its Affiliates do not have any contingent liabilities in excess of the liabilities that are either reflected or reserved against in the Buyer Financial Statements which would reasonably be expected to be material to the Buyer (on a consolidated basis).
- (n) **Insolvency.** Neither the Buyer nor any of its Affiliates has committed an act of bankruptcy or sought protection from its creditors from any court or pursuant to any legislation, proposed a compromise or arrangement to its creditors generally, taken any proceeding with respect to a compromise or arrangement, taken any proceeding to have itself declared bankrupt or wound up, as the case may be, taken any proceeding to have a receiver of any part of its assets appointed, had any person holding any Encumbrance or receiver take possession of any of its property, had an execution or distress become enforceable or levied

upon any portion of its property or had any petition for a receiving order in bankruptcy or application for a bankruptcy order filed against it, and at the Closing, neither the Buyer nor any of its Affiliates will be an insolvent person (as that term is defined in the *Bankruptcy and Insolvency Act* (Canada)) and neither the Buyer nor any of its Affiliates will be an insolvent person (as that term or similar term is defined in bankruptcy and insolvency legislation applicable to each such Affiliate).

- (o) **No Contemplated Changes.** Neither the Buyer nor any of its Affiliates has approved or has entered into any agreement in respect of: (i) the purchase of any securities or other equity or proprietary interest in any person; (ii) the purchase of material assets or any interest therein or the sale, transfer or other disposition of any material portion of its assets or any interest therein owned, directly or indirectly, by the Buyer or any of its Affiliates whether by asset sale, sale or transfer of shares or otherwise (except as contemplated by this Agreement or the Ancillary Agreements); or (iii) the change of control (by sale or transfer of shares or sale of all or substantially all of the property and assets of the Buyer or any of its Affiliates or otherwise) of the Buyer or any of its Affiliates.
- (p) **Tax Registrations.** The Buyer is registered for purposes of the Goods and Services Tax under the *Excise Tax Act* (Canada).

3.3 Notice of Untrue Representation or Warranty

During the Interim Period, the Seller will promptly notify the Buyer and the Buyer will promptly notify the Seller, upon becoming aware that any representation or warranty made by it and contained in this Agreement has become inaccurate or incorrect.

4. COVENANTS

4.1 Actions to Satisfy Closing Conditions

- (a) The Seller and NorZinc-Newfoundland will take all such actions as are within their respective powers to control and will use commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with all of the conditions set forth in Section 5.2, including ensuring that during the Interim Period and at Closing, there is no breach of any of its representations and warranties.
- (b) The Buyer will take all such actions as are within its power to control and will use commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with all of the conditions set forth in Section 5.1, including ensuring that during the Interim Period and at Closing, there is no breach of any of its representations and warranties.

4.2 Access to Records and Property During Interim Period

During the Interim Period, the Seller and NorZinc-Newfoundland shall give, or cause to be given, to the Buyer and its representatives reasonable access during normal business hours to the Purchased Assets, to conduct such matters as the Buyer considers necessary or desirable to familiarize itself with the Purchased Assets, to prepare the BAR, and to prepare a technical report in compliance with NI 43-101 if necessary.

4.3 Interim Period Covenants of the Seller

During the Interim Period, the Seller shall conduct and shall cause to be conducted by its Affiliates, including without limitation, NorZinc-Newfoundland, the Project Operations in compliance with

Applicable Laws and in the ordinary course of business consistent with recent past practice and shall not take any action or authorize any Affiliate, including without limitation, NorZinc-Newfoundland to take any action, that if taken prior to the date hereof would have caused any representation and warranty of the Seller herein to be incorrect in any material respect.

4.4 Required Regulatory Approvals and Material Consents

Each of the Seller, NorZinc-Newfoundland and the Buyer, as promptly as practicable after the execution of this Agreement, shall (a) make, or cause to be made, all filings and submissions under Applicable Laws that are required for it to consummate the purchase and sale of the Purchased Assets in accordance with the terms of this Agreement, (b) use reasonable commercial efforts to obtain, or cause to be obtained, all Required Regulatory Approvals and Material Consents necessary or advisable to be obtained by it in order to consummate the transactions contemplated herein, and (c) use reasonable commercial efforts to take, or cause to be taken, all other actions necessary, proper or advisable in order for it to fulfil its obligations under this Agreement. In the case of the Required Regulatory Approvals and Material Consents, each of the Seller, NorZinc-Newfoundland and the Buyer shall make, or cause to be made, all filings and submissions, and submit all documentation and information that is required to obtain the Required Regulatory Approvals and Material Consents, and will use reasonable commercial efforts to satisfy all requests for additional information and documentation received under or pursuant to those filings, submissions and Applicable Laws, and any orders or requests made by any Governmental Authority under such laws. Each of the Seller and the Buyer shall further use reasonable commercial efforts to avoid, oppose, or seek to have lifted or rescinded, any application for, or any resulting injunction or restraining or other order seeking to stop, or that otherwise adversely affects its ability to consummate the transactions contemplated by this Agreement.

4.5 Announcements and Confidentiality

- (a) Subject to the terms of this Agreement, no announcement or communication (each an “**Announcement**”) concerning the existence or content of this Agreement and the documents referred to herein shall be made by the Buyer or the Seller without the prior written approval of the other Party.
- (b) Section 4.5(a) does not apply to any Announcement if, and to the extent that such is required by any Governmental Authority (or the rules thereof) to which the Buyer or the Seller (as applicable) is subject, provided that the Buyer or the Seller (as applicable) shall, to the extent permitted by Applicable Laws and so far as is practicable, inform the other of such requirement and the information required to be disclosed, consult with the other as to possible steps to avoid or limit disclosure, take such of those steps as the other may reasonably require and, where the disclosure is to be made by way of public announcement, make reasonable efforts to agree to the wording of the Announcement with the other in advance.
- (c) Each Party shall and shall cause its Affiliates to, subject to Section 4.5(d) treat as strictly confidential all information received or obtained as a result of entering into or performing this Agreement which relates to:
 - (1) the subject matter and provisions of this Agreement and the Ancillary Agreements;
 - (2) the negotiations relating to this Agreement and the Ancillary Agreements; or
 - (3) the other Party.

- (d) Notwithstanding Section 4.5(c), a Party may disclose information which would otherwise be confidential if and to the extent:
- (1) permitted by this Agreement;
 - (2) required by Applicable Laws;
 - (3) required by any Governmental Authority to which the Party making such disclosure is subject, subject to Section 4.5(b);
 - (4) required to vest the full benefit of this Agreement in either Party;
 - (5) disclosure is made to its representatives, provided that any such representative is first informed of the confidential nature of the information and such representative acts in accordance with the provisions of Section 4.5(c) as if it were a party hereto;
 - (6) the information has come into the public domain through no fault of that Party; or
 - (7) the other Party has given prior written approval to the disclosure,
- provided that any disclosure shall, so far as is practicable, be made only after consultation with the other Party.
- (e) Notwithstanding anything else in this Section 4.5, the Seller acknowledges and agrees that if the Buyer is required to file this Agreement or any Ancillary Agreement on SEDAR under Applicable Laws, the Buyer may file a redacted form of such agreement subject to such reasonable redactions as the Seller may request, provided that such redactions are permitted under Applicable Laws. Any provision of this Agreement or any Ancillary Agreement that has been so redacted shall continue to constitute confidential information for purposes of this Agreement and this Section 4.5; provided, however, that if any securities regulatory authority subsequently requires the Buyer to disclose any such redacted information or such redacted information shall otherwise become publicly available pursuant to Applicable Laws, (i) such redacted information shall cease to be confidential information upon such disclosure, and (ii) neither the Buyer nor its Affiliates shall be in breach or violation of this Agreement with respect thereto. The Buyer agrees that prior to filing any version of this Agreement or any Ancillary Agreement with any securities regulatory authority, it shall provide the Seller with a reasonable opportunity to review and comment on all documents to be submitted in connection with such filing and shall consider in good faith the comments, if any, provided by the Seller in respect of such documents, provided that any decision regarding redactions will ultimately be determined by the Buyer, acting reasonably.
- (f) The restrictions in this Section 4.5 shall continue to apply after Closing or termination of this Agreement without limitation of time.

4.6 **Post-Closing Covenants of the Parties**

- (a) **Payment of Taxes on Sale.** The Buyer shall be responsible for and shall pay when due any land transfer taxes, sales taxes, excise taxes (goods and services taxes) and similar taxes (but not Taxes of the Seller for the period up to Closing), and any registration fees payable in respect of the sale and transfer of the Purchased Assets to the Buyer.

- (b) **Final Approval of the TSXV.** Promptly following Closing, the Buyer shall make or cause to be made all filings and shall pay all fees required to be given or made to the TSXV in order to satisfy all of the conditions to listing the Consideration Shares. The Buyer shall promptly advise the Seller if final acceptance of the TSXV for the listing of the Consideration Shares is not granted for any reason.
- (c) **Access to Records Post-Closing.** The Seller will deliver the Records to the Buyer at Closing. The Seller and NorZinc-Newfoundland may from time to time during normal business hours and upon reasonable notice and without undue interference to the business operations of the Buyer, inspect and make copies (at its own expense) of the Records, provided that its access to and use of such Records will be limited to legal and regulatory purposes, including preparing Tax Returns, responding to tax audits, or otherwise dealing with Governmental Authorities. The inspection rights accorded herein to the Seller and NorZinc-Newfoundland shall terminate three years after Closing.
- (d) **Business Acquisition Report.** The Seller and NorZinc-Newfoundland will provide the Buyer with such information as the Buyer may reasonably request in connection with the preparation of the BAR post-Closing provided that such information is readily available.
- (e) **Lock Up Consideration Shares - Initial Lock Up Period.** The Seller agrees not to, and will not permit any Affiliate to, Transfer all or any portion of any of the Consideration Shares, directly or indirectly, prior to six months following the Closing Date (the “**Initial Lock Up Period**”), except:
- (i) to an Affiliate;
 - (ii) pursuant to a formal take-over bid, formal issuer bid, statutory amalgamation, statutory arrangement or other statutory procedure involving the Buyer; or
 - (iii) with the prior written consent of the Buyer.
- After the expiry of the Initial Lock Up Period, the Seller will be entitled to Transfer up to a maximum of 3,000,000 of the Consideration Shares, subject to the placement rights described in Section 4.6(g), and the remaining 3,625,000 Consideration Shares (the “**Remaining Common Shares**”) shall be subject to the Second Lock Up Period.
- (f) **Lock Up Consideration Shares - Second Lock Up Period.** The Seller agrees not to, and will not permit any Affiliate to, Transfer all or any portion of any of the Remaining Common Shares, directly or indirectly, prior to six months following the Initial Lock Up Period (the “**Second Lock Up Period**”), except:
- (i) to an Affiliate;
 - (ii) pursuant to a formal take-over bid, formal issuer bid, statutory amalgamation, statutory arrangement or other statutory procedure involving the Buyer; or
 - (iii) with the prior written consent of the Buyer.
- (g) **Lock Up Following Expiry of Second Lock Up Period.** If, as permitted pursuant to the provisions of Section 4.6(e) or (f), upon the expiry of the Initial Lock Up Period or the Second Lock Up Period, respectively, the Seller wishes to Transfer any Buyer Shares which

it owns (or over which it exercises control or direction over), directly or indirectly (the “**Sale Shares**”), the Seller shall notify the Buyer of its intention to Transfer the Sale Shares (the “**Sale Notice**”). The Sale Notice shall set out the minimum price that the Seller would be prepared to accept for the Sale Shares and any other terms and conditions of the intended Transfer. The Buyer will thereafter have the opportunity, until the 30th day following delivery of the Sale Notice, to identify one or more prospective purchasers of all, but not less than all, of such Sale Shares at the price specified in the Sale Notice (the “**Buyer Identification Period**”). If the Buyer identifies one or more prospective buyers, the Seller shall negotiate in good faith with the prospective buyer(s) the terms of such sale. If the Buyer fails to identify any prospective buyers within the Buyer Identification Period, or the Seller is unable to agree to the terms of such sale with the prospective buyer(s), as applicable, the Seller shall be entitled to sell up to the number of Sale Shares set out in its Sale Notice, provided that such sale is completed within 30 days following the expiry of the Buyer Identification Period.

- (h) **[Post-closing covenant redacted on the basis that it would be seriously prejudicial to the interests of the Parties.]**
- (i) **Further Assurances.** The Parties agree that, after Closing, they will, at the request and expense of the requesting Party, execute and deliver all such documents, including all such additional conveyances, transfers, consents and other assurances and do all such other acts and things as the other Party, acting reasonably, may from time to time request be executed or done in order to give effect fully to any provision of this Agreement or of any Ancillary Agreement or any of the respective obligations intended to be created hereby or thereby. Except as otherwise expressly provided in this Agreement, including Section 8.1, the covenants, indemnities, representations, warranties and other provisions of this Agreement will not merge on Closing but will survive: (a) the execution and delivery of this Agreement, the performance of the obligations by any Party hereunder, and any related transfer or conveyance documents; (b) the Closing; and (c) the payment of the Purchase Price. Closing will not prejudice any right of one Party against the other Parties in respect of anything done or omitted under this Agreement or in respect of any right to other remedies.

5. CONDITIONS OF CLOSING

5.1 Conditions of Closing in Favour of the Seller and NorZinc-Newfoundland

The completion of the transactions contemplated herein is subject to the following conditions for the exclusive benefit of the Seller and NorZinc-Newfoundland, to be fulfilled or performed, unless otherwise stated, at or prior to Closing:

- (a) the representations and warranties of the Buyer set forth in Section 3.2 will be true and correct in all respects, without regard to any materiality or Material Adverse Change qualifications contained in them, as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such date (except those representations and warranties that address matters only as of a specified date, which shall be true and correct in all respects as of that specified date), except where the failure of such representations and warranties to be true and correct in all respects would not, individually or in the aggregate, be material and adverse to the ability of the Buyer to consummate the transactions and carry out the obligations contemplated under this Agreement and the Ancillary Agreements, and a certificate of a senior officer of the Buyer dated the Closing

Date to that effect will have been delivered to the Seller and NorZinc-Newfoundland, such certificate to be in form and substance satisfactory to the Seller, acting reasonably;

- (b) all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Buyer at or before Closing will have been complied with or performed in all material respects, or if already so qualified, performed in all respects, and a certificate of a senior officer of each of the Buyer dated the Closing Date to that effect will have been delivered to the Seller, such certificate to be in form and substance satisfactory to the Seller and NorZinc-Newfoundland, acting reasonably;
- (c) the Parties will have received the Material Consents;
- (d) the Parties will have received the Required Regulatory Approvals;
- (e) the Buyer shall have tabled the Closing deliverables required to be delivered to the Seller and NorZinc-Newfoundland pursuant to Section 6.2;
- (f) the TSXV shall have conditionally accepted the issuance and listing of the Consideration Shares on or prior to the Closing Date subject only to ordinary conditions typical for the issuance and listing of common shares;
- (g) no delisting, suspension of trading or cease trade or other order or restriction having a similar effect shall have occurred or be in effect with respect to the Buyer or any of its securities; and
- (h) no preliminary or permanent injunction or other order, decree, or ruling issued by a Governmental Authority, and no statute, rule, regulation or executive order promulgated or enacted by a Governmental Authority, which restrains, enjoins, prohibits, or otherwise makes illegal the consummation by the Seller, NorZinc-Newfoundland or the Buyer of the transactions contemplated hereby shall be in effect.

Any condition contained in this Section 5.1 may be waived in whole or in part by the Seller or NorZinc-Newfoundland without prejudice to any Claim it may have for breach of covenant, representation or warranty.

5.2 Conditions of Closing in Favour of the Buyer

The completion of the transactions contemplated herein is subject to the following conditions for the exclusive benefit of each of the Buyer, to be fulfilled or performed, unless otherwise stated, at or prior to Closing:

- (a) the representations and warranties of the Seller and NorZinc-Newfoundland set forth in Section 3.1 will be true and correct in all respects, without regard to any materiality or Material Adverse Change qualifications contained in them, as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such date (except those representations and warranties that address matters only as of a specified date, which shall be true and correct in all respects as of that specified date), except where the failure of such representations and warranties to be true and correct in all respects would not, individually or in the aggregate, have a Material Adverse Change, and a certificate of a director or senior officer of each of the Seller and NorZinc-Newfoundland dated the Closing Date to that effect will have been delivered to the Buyer, such certificate to be in form and substance satisfactory to the Buyer, acting reasonably;

- (b) all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Seller and NorZinc-Newfoundland at or before Closing will have been complied with or performed in all material respects, or if already so qualified, performed in all respects, and a certificate of a director or senior officer of the Seller dated the Closing Date to that effect will have been delivered to the Buyer, such certificate to be in form and substance satisfactory to the Buyer, acting reasonably;
- (c) the Parties will have received the Material Consents;
- (d) the Parties will have received the Required Regulatory Approvals;
- (e) each of the Purchased Mineral Properties shall be in good standing with the Office of the Mineral Claims Recorder for the Province of Newfoundland and Labrador and all applicable fees owing in respect of the Purchased Mineral Properties shall be paid in full;
- (f) the Seller or NorZinc-Newfoundland shall have delivered to the Buyer a Deed of Conveyance in registerable form from the Seller or NorZinc-Newfoundland, as applicable, transferring to the Buyer each of the properties comprising the Real Property, including a declaration setting out the title history of each such property, all of which to be in form and content satisfactory to the Buyer's counsel, acting reasonably;
- (g) the Seller and NorZinc-Newfoundland shall have tabled the Closing deliverables required to be delivered to the Buyer pursuant to Section 6.3;
- (h) no Material Adverse Change shall have occurred with respect to the Purchased Assets;
- (i) the Seller and NorZinc-Newfoundland shall have delivered to the Buyer, in form and content satisfactory to the Buyer's counsel, acting reasonably, an opinion of counsel in the Province of Newfoundland and Labrador, subject to reasonable qualifications and assumptions, as to the ownership by the Seller directly or indirectly or through an Affiliate, including without limitation, NorZinc-Newfoundland, of a 100% interest in the Purchased Mineral Properties and the Real Property, free and clear of any and all Encumbrances, save and except for the Permitted Encumbrances; and
- (j) no preliminary or permanent injunction or other order, decree, or ruling issued by a Governmental Authority, and no statute, rule, regulation or executive order promulgated or enacted by a Governmental Authority, which restrains, enjoins, prohibits, or otherwise makes illegal the consummation by the Seller or the Buyer of the transactions contemplated hereby shall be in effect.

Any condition contained in this Section 5.2 may be waived in whole or in part by the Buyer without prejudice to any Claim it may have for any breach of covenant, representation or warranty.

6. CLOSING ARRANGEMENTS

6.1 Closing Date and Place

Closing will occur on the Closing Date at 8:30 a.m. (Vancouver time) at the Vancouver offices of Cassels Brock & Blackwell LLP or at such other place, time and date as the Parties may mutually agree. Notwithstanding the foregoing but subject to Section 6.5, in lieu of a physical closing, the Parties agree that the Closing may take place on the Closing Date on the exchange of solicitors' undertakings which will involve each Party's solicitor delivering to his or her counterpart all required documentation and payments, to be held in escrow and not released until all such documentation has been executed and delivered and all

conditions have been satisfied and each Party's solicitor has authorized in writing that the escrow is to be terminated. It is understood and agreed that the Seller and NorZinc-Newfoundland must deliver to the Buyer's lawyers in Newfoundland and Labrador in advance of Closing on the Closing Date, original transfer documents that are duly witnessed for registration in both the Mineral Registry and the Registry of Deeds.

6.2 Preparation of Closing Documents and Delivery of Cash Purchase Price and Consideration Shares

- (a) Prior to the Closing Date, the Buyer will prepare, or cause to be prepared, and deliver to the Seller and NorZinc-Newfoundland the closing documents listed in Section 6.4, previously approved by the Seller and NorZinc-Newfoundland, acting reasonably.
- (b) Prior to the Closing Date, the Seller and NorZinc-Newfoundland will prepare, or cause to be prepared, and deliver to the Buyer the closing documents listed in Section 6.3, previously approved by the Buyer, acting reasonably.
- (c) On Closing, the Buyer will pay, or cause to be paid, the Cash Purchase Price to the Seller (or as the Seller may otherwise direct in writing a minimum of two Business Days prior to the Closing Date) by wire transfer.
- (d) On Closing, the Buyer will issue the Consideration Shares to the Seller or an Affiliate of the Seller in accordance with the Seller's written instructions.

6.3 The Seller and NorZinc-Newfoundland Closing Documents

The Seller and NorZinc-Newfoundland will deliver or cause the following documents, duly executed by the Seller and NorZinc-Newfoundland, to be delivered to the Buyer at the Closing:

- (a) a copy of the resolutions of the board of directors of the Seller and NorZinc-Newfoundland, dated the Closing Date or certified as continuing to be in full force and effect on the Closing Date, approving the entering into this Agreement and the Ancillary Agreements and the completion of the transactions contemplated by this Agreement;
- (b) the certificates contemplated by Sections 5.2(a) and 5.2(b);
- (c) a certificate of good standing with respect to each of the Seller and NorZinc-Newfoundland, dated no more than one Business Day prior to the Closing Date;
- (d) a certificate of incumbency setting forth the directors and officers of both the Seller and NorZinc-Newfoundland; and
- (e) all necessary deeds, conveyances, transfers and assignments and any other instruments necessary or reasonably required to transfer legal and beneficial title to the Purchased Assets to the Buyer and to complete the transactions contemplated herein, including without limitation, executed title transfers and/or deeds in respect of each of the Purchased Mineral Properties, all original copies of the Records in the possession of the Seller or its Affiliates and all other documents required to be delivered by the Seller on the Closing Date pursuant to the provisions of this Agreement.

6.4 The Buyer Closing Documents

The Buyer will deliver or cause the following documents, duly executed by the Buyer, to be delivered to

the Seller and NorZinc-Newfoundland at the Closing:

- (a) a copy of the resolutions of the board of directors of the Buyer, dated the Closing Date or certified as continuing to be in full force and effect on the Closing Date, approving the entering into this Agreement and the Ancillary Agreements and the completion of the transactions contemplated by this Agreement;
- (b) the certificates contemplated by Sections 5.1(a) and 5.1(b);
- (c) a certificate of good standing with respect to the Buyer, dated no more than one Business Day prior to the Closing Date;
- (d) a certificate of incumbency setting forth the directors and officers of the Buyer;
- (e) the Cash Purchase Price as well as a DRS Advice representing the Consideration Shares issued in the name of the Seller; and
- (f) all necessary deeds, conveyances, transfers and assignments and any other instruments necessary or reasonably required to acquire legal and beneficial title to the Purchased Assets from the Seller and to complete the transactions contemplated herein, including without limitation, all other documents required to be delivered by the Buyer on the Closing Date pursuant to the provisions of this Agreement.

6.5 Closing Procedure and Transfer of Purchased Mineral Properties

The documents and other instruments to be delivered by the Seller, NorZinc-Newfoundland and the Buyer in accordance with Sections 6.3 and 6.4, respectively, will be delivered to each Party's respective counsel in trust on such reasonable trust conditions as would customarily be imposed in a similar transaction in Newfoundland and Labrador including conditions relating to the payment and delivery of the Purchase Price and the delivery of the Ancillary Agreements and other Closing deliverables, to be released upon confirmation that all documents necessary for the transfer of the Purchased Mineral Properties and the Real Property have been submitted for registration in the proper form and confirmation of registration has been issued by the applicable registries.

6.6 Concurrent Requirements

All of the matters of payment and delivery of documents by each Party to the other will be deemed to be concurrent requirements so that nothing is complete until everything has been paid, delivered and registered.

7. INDEMNIFICATION, RELEASE AND REMEDIES

7.1 Indemnification by the Seller

From and after the Effective Time, the Seller and NorZinc-Newfoundland will indemnify, defend and hold harmless, the Buyer and its respective employees, directors, officers, representatives and related persons (collectively and together with the Buyer, the "**Buyer Indemnified Persons**") from and against any Claims or Expenses, and will pay to the Buyer Indemnified Persons, on demand, the amount of any Expenses suffered by or imposed upon or asserted against any of the Buyer Indemnified Persons as a result of, in respect of, connected with, or arising out of:

- (a) any inaccuracy or breach of any representation or warranty made by the Seller or NorZinc-Newfoundland in this Agreement or any Ancillary Agreement;

- (b) any breach or non-fulfilment by the Seller or NorZinc-Newfoundland of any covenant, condition or obligation of the Seller or NorZinc-Newfoundland contained in this Agreement or any Ancillary Agreement; or
- (c) any commission or other remuneration payable to any broker, agent or other intermediary who acted or purported to act on behalf of the Seller or NorZinc-Newfoundland in connection with the transactions contemplated by this Agreement.

7.2 Indemnification by the Buyer

From and after the Effective Time, the Buyer will indemnify, defend and hold harmless, the Seller and NorZinc-Newfoundland and their respective employees, directors, officers, representatives and related persons (collectively and together with the Seller, the “**Seller Indemnified Persons**”) from and against any Claims or Expenses, and will pay to the Seller Indemnified Persons, on demand, the amount of any Expenses suffered by, imposed upon or asserted against any of the Seller Indemnified Persons as a result of, in respect of, connected with, or arising out of:

- (a) any inaccuracy or breach of any representation or warranty made by the Buyer in this Agreement or any Ancillary Agreement;
- (b) any breach or non-fulfilment by the Buyer of any covenant, condition or obligation of the Buyer contained in this Agreement or any Ancillary Agreement; or
- (c) any commission or other remuneration payable to any broker, agent or other intermediary who acted or purported to act on behalf of the Buyer in connection with the transactions contemplated by this Agreement.

7.3 Agency for Non-Parties

Each Party hereby accepts each indemnity in favour of its indemnified persons who are not Parties as agent and trustee for and on their behalf. A Party may enforce an indemnity in favour of any of that Party’s indemnified persons on behalf of each such person.

7.4 Notice of Claims

- (a) If a Party entitled to be indemnified under the foregoing provisions of this Article 7 (an “**Indemnified Party**”) wishes to make a Claim for indemnification hereunder against the Buyer, on the one hand, or the Seller, on the other hand, (herein called the “**Indemnifying Party**”), the Indemnified Party will promptly give written notice thereof to the Indemnifying Party of the Claim (a “**Notice of Claim**”). The Notice of Claim will specify whether the Claim originates with the Indemnified Party (a “**Direct Claim**”) or with a third party (a “**Third Party Claim**”) and will specify with reasonable particularity (to the extent that information is available):
 - (1) the factual basis for the Claim; and
 - (2) the amount of the Claim or, if an amount is not then determinable, an approximate estimate of the potential amount of the Claim, to the extent such an estimate can reasonably be given at that time.
- (b) If an Indemnified Party fails to provide the Indemnifying Party with a Notice of Claim promptly as required by Section 7.4(a), the Indemnifying Party shall be relieved of the obligation to pay damages to the extent it can show that it was prejudiced in its defence of

the Claim or in proceeding against a third party who would have been liable to it but for the fact of the delay, but the failure to provide such Notice of Claim promptly shall not otherwise release the Indemnifying Party from its obligations under this Article 7.

- (c) If the date by which a Notice of Claim must be given as set forth in Section 8.1 in respect of a breach of representation and warranty has passed without any Notice of Claim having been given to the Indemnifying Party, then the related Claim shall be forever extinguished, notwithstanding that by the date specified in Section 8.1, the Indemnified Party did not know, and in the exercise of reasonable care could not have known, of the existence of the Claim.

7.5 Direct Claims

With respect to any Direct Claim, following receipt of a Notice of Claim from the Indemnified Party, the Indemnifying Party shall have 45 days to make such investigation of the Claim as is considered necessary or desirable. For the purpose of such investigation, the Indemnified Party shall make available to the Indemnifying Party the information relied upon by the Indemnified Party to substantiate the Claim, together with all such other information as the Indemnifying Party may reasonably request. If both Parties agree at or prior to the expiration of such 45-day period (or any mutually agreed upon extension thereof) to the validity and amount of such Claim, the Indemnifying Party shall immediately pay to the Indemnified Party the full agreed-upon amount of the Claim, failing which the Indemnified Party is free to pursue all rights and remedies available to it, subject to this Agreement.

7.6 Third Party Claims

- (a) Subject to Section 7.6(d), upon receiving a Notice of Claim, the Indemnifying Party may participate in the investigation and defence of the Third Party Claim, and may also elect to assume the investigation and defence of the Third Party Claim with counsel satisfactory to the Indemnified Party, acting reasonably; provided that the Indemnifying Party shall not have the right to assume such investigation and defence, and shall pay the fees and expenses of counsel retained by the Indemnified Party, if the Third Party Claim involves a claim that, in the good faith judgment of the Indemnified Party, the Indemnifying Party failed or is failing to vigorously prosecute or defend. The Indemnified Party shall cooperate in good faith in any such defence. The Indemnified Party shall have the right, at its own cost and expense, to participate in the defence of any Third Party Claim with counsel selected by it subject to the Indemnifying Party's right to control the defence thereof.
- (b) In order to assume the investigation and defence of a Third Party Claim, the Indemnifying Party must give the Indemnified Party written notice of its election within 20 days of the Indemnifying Party's receipt of the Notice of Claim.
- (c) Subject to Section 7.6(d), if the Indemnifying Party assumes the investigation and defence of a Third Party Claim:
 - (1) the Indemnifying Party will pay for all reasonable costs and expenses of the investigation and defence of the Third Party Claim except that the Indemnifying Party will not, so long as it diligently conducts such defence, be liable to the Indemnified Party for any fees of other counsel or any other expenses with respect to the defence of the Third Party Claim, incurred by the Indemnified Party after the date the Indemnifying Party validly exercised its right to assume the investigation and defence of the Third Party Claim;
 - (2) the Indemnifying Party will reimburse the Indemnified Party for all reasonable

costs and expenses incurred by the Indemnified Party in connection with the investigation and defence of the Third Party Claim prior to the date the Indemnifying Party validly exercised its right to assume the investigation and defence of the Third Party Claim; and

- (3) if the Indemnifying Party thereafter fails to defend the Third Party Claim within a reasonable time, the Indemnified Party shall be entitled to assume such defence and the Indemnifying Party shall be bound by the results obtained by the Indemnified Party with respect to the Third Party Claim.
- (d) Where the named parties to any Third Party Claim include the Indemnified Party as well as the Indemnifying Party and the Indemnified Party determines in good faith, based on advice from its legal counsel, that joint representation would be inappropriate due to the actual or potential differing interests between them or there may be one or more legal defences available to the Indemnified Party which are different from or in addition to those available to the Indemnifying Party, and the Indemnified Party notifies the Indemnifying Party in writing that it elects to retain separate counsel, the Indemnifying Party shall not have the right to assume the defence of such Third Party Claim on behalf of the Indemnified Party but shall be liable to pay the reasonable fees and expenses of counsel of the Indemnified Party.
- (e) If the Indemnified Party undertakes the defence of the Third Party Claim, the Indemnifying Party will not be bound by any compromise or settlement of the Third Party Claim effected without the consent of the Indemnifying Party (which consent may not be unreasonably withheld or delayed).
- (f) The Indemnifying Party will not be permitted to compromise and settle or to cause a compromise and settlement of a Third Party Claim without the prior written consent of the Indemnified Party, which consent may not be unreasonably withheld or delayed, unless:
 - (1) the terms of the compromise and settlement require only the payment of money for which the Indemnified Party is entitled to full indemnification under this Agreement and the Indemnifying Party agrees to timely pay such amount in full; and
 - (2) the Indemnified Party is not required to admit any wrongdoing, take or refrain from taking any action, acknowledge any rights of the person making the Third Party Claim or waive any rights that the Indemnified Party may have against the person making the Third Party Claim.

7.7 Duty to Mitigate

Nothing in this Agreement in any way restricts or limits the general obligation pursuant to Applicable Laws of an Indemnified Party to take reasonable steps to mitigate any loss which it may suffer or incur by reason of the breach or failure to perform of any representation, warranty, covenant or obligation of the Indemnifying Party under this Agreement. If any claim can be reduced by any recovery, settlement or otherwise under or pursuant to any insurance coverage, or pursuant to any claim, recovery, settlement or payment by or against any other person, the Indemnified Party shall take all reasonable steps to enforce such recovery, settlement or payment and the amount of any losses of the Indemnified Party will be reduced by the amount actually recovered by the Indemnified Party (net of collection expenses).

7.8 Purchase Price Adjustment

Any payment made by the Seller as an Indemnifying Party to the Buyer pursuant to Article 7 will constitute a dollar-for-dollar decrease in the Purchase Price and any payment made by the Buyer as an Indemnifying Party to the Seller pursuant to Article 7 will constitute a dollar-for-dollar increase in the Purchase Price.

7.9 Exclusivity

No Party may make any claim for damages in respect of this Agreement or any Ancillary Agreement, or in respect of any breach or termination thereof, against any other Party except by making a Claim pursuant to and in accordance with Article 7, unless otherwise explicitly provided in the relevant Ancillary Agreement.

7.10 Choice of Jurisdiction

The Parties irrevocably agree that the courts of British Columbia are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that, accordingly, any suit, action or proceedings arising out of or in connection with this Agreement (referred to in this Section as the “**Proceedings**”) may be brought in such courts. The Parties irrevocably waive and covenant not to raise any objection which they may have now or hereafter to the venue of any Proceedings in any such court, including that the Proceedings have been brought in an inconvenient forum.

8. LIMITATIONS ON LIABILITY

8.1 Time Limitation

Save and except for Section 3.1(d) (*Title to Purchased Assets*) and Section 3.1(j) (*Environmental Liabilities and Compliance with Environmental Laws*), the representations and warranties set forth in this Agreement or in any of the Ancillary Agreements will survive for a period of two years following the Closing Date, after which time the Parties will not have any further liability hereunder with respect to such representations and warranties, except in respect of any Claim made in writing with respect to any inaccuracy or deficiency in or breach of any such representation and warranty made prior to the expiration of the period noted above. As regards Section 3.1(d) (*Title to Purchased Assets*) and Section 3.1(j) (*Environmental Liabilities and Compliance with Environmental Laws*), such representations and warranties will survive for four years following the Closing Date, after which time the Parties will not have any further liability hereunder with respect to such representation and warranty, except in respect of any Claim made in writing with respect to any inaccuracy or deficiency in or breach of any such representation and warranty made prior to the expiration of the period noted above.

8.2 Monetary Limitation

- (a) The Seller’s obligation to indemnify the Buyer Indemnified Persons under Section 7.1 of this Agreement is subject to the following:
 - (1) the Seller will have no liability under this Agreement and no Expenses may be recovered from it unless the Claims of the Buyer Indemnified Persons for indemnification under Section 7.1(a) exceed, in the aggregate, \$25,000, in which event the accumulated aggregate amount of all such Expenses may be recovered, it being understood and agreed that there shall be no threshold on the Seller’s liability in respect of Claims by any of the Buyer Indemnified Persons for Expenses in respect of Claims under Section 7.1(b) or (c) or under Section 3.1(d) (*Title to Purchased Assets*); and
 - (2) the Seller’s liability in respect of Claims by any of the Buyer Indemnified Persons

for Expenses under Section 7.1(a) (for representations and warranties other than Section 3.1(d) (*Title to Purchased Assets*)), will not exceed \$3,000,000 in the aggregate, it being understood and agreed that the Seller's liability in respect of Claims by any of the Buyer Indemnified Persons for Expenses under Section 7.1(b) or (c) or Section 3.1(d) (*Title to Purchased Assets*) will not exceed \$4,000,000 in the aggregate.

- (b) The Buyer's obligation to indemnify the Seller Indemnified Persons under Section 7.2 of this Agreement is subject to the following:
- (1) the Buyer will have no liability under this Agreement and no Expenses may be recovered from it unless the Claims of the Seller Indemnified Persons for indemnification under Section 7.2(a) exceed, in the aggregate, \$25,000, in which event the accumulated aggregate amount of all such Expenses may be recovered, it being understood and agreed that there shall be no threshold on the Buyer's liability in respect of Claims by any of the Seller Indemnified Persons for Expenses in respect of Claims under Section 7.2(b) or (c); and
 - (2) the Buyer's liability in respect of Claims by any of the Seller Indemnified Persons for Expenses under Section 7.2(a) will not exceed \$3,000,000 in the aggregate, it being understood and agreed that there shall be no limit on the Buyer's liability for Expenses in respect of Claims by any of the Seller Indemnified Persons for Expenses under Section 7.2(b) or (c).

9. GENERAL

9.1 Termination

This Agreement may be terminated on or prior to the Effective Time:

- (a) by the mutual written agreement of the Buyer, the Seller and NorZinc-Newfoundland;
- (b) by written notice to the Seller and NorZinc-Newfoundland by the Buyer if the conditions in Section 5.2 are not satisfied (or waived by the Buyer) on or prior to the Outside Date, provided that the right of the Buyer to terminate this Agreement pursuant to this Section 9.1(b) shall not be available to the Buyer if the Buyer's failure to fulfill any material obligation under this Agreement has been the cause of, or resulted in, the failure of the Closing to have occurred on or before such date;
- (c) by written notice to the Buyer by the Seller and NorZinc-Newfoundland if the conditions in Section 5.1 are not satisfied (or waived by the Seller and NorZinc-Newfoundland) on or prior to the Outside Date, provided that the right of the Seller and NorZinc-Newfoundland to terminate this Agreement pursuant to this Section 9.1(c) shall not be available to the Seller if its failure to fulfill any material obligation under this Agreement has been the cause of, or resulted in, the failure of the Closing to have occurred on or before such date; or
- (d) by any Party if a Governmental Authority has issued or enacted any Applicable Law or taken any other action, in each case, which has become final and non-appealable and which restrains, enjoins or otherwise prohibits the consummation of the transactions contemplated by this Agreement.

9.2 Effect of Termination

In the event of the termination of this Agreement pursuant to Section 9.1, this Agreement (other than this Section 9.2 and Section 1.4, Article 7 and Section 9.5, each of which shall survive such termination) will forthwith become void, and there will be no liability on the part of any Party or any of their respective officers or directors to the other Party and all rights and obligations of each Party will cease, except that nothing herein will relieve any Party from liability for any breach, prior to termination of this Agreement in accordance with its terms, of any representation, warranty or covenant contained in this Agreement. Except where otherwise agreed in writing, each Party will bear its own costs and expenses of this Agreement and the transactions herein referenced (including finder's or broker's fees and commissions) regardless of whether this Agreement and such transactions close. The Buyer will be responsible for, and will pay as they fall due, all transaction, transfer and sales taxes.

9.3 Notices

Any notice or other communication required or permitted to be given hereunder will be in writing and will be delivered by e-mail, addressed as follows:

- (a) if to the Seller or NorZinc-Newfoundland:

650 West Georgia Street, Suite 1710
Vancouver, BC V6B 4N9

Attention: Rohan Hazelton, President and Chief Executive Officer
Email: [email address redacted]

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

DuMoulin Black LLP
10th Floor, 595 Howe Street
Vancouver, BC V6C 2T5

Attention: Brian Lindsay
Email: [email address redacted]

- (b) if to the Buyer:

Suite 580, 625 Howe Street
Vancouver, BC V6C 2T6

Attention: Christopher Pennimpede, President and Chief Executive Officer
Email: [email address redacted]

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

Cassels Brock & Blackwell LLP
Suite 2200, 885 West Georgia Street
Vancouver, BC V6C 3E8

Attention: Jennifer Traub
Email: [email address redacted]

Any such notice or other communication will be deemed to have been given and received on the day on which it was transmitted (or, if such day is not a Business Day, on the next following Business Day). Any Party may at any time change its address for service from time to time by giving notice to the other Parties in accordance with this Section 9.3.

9.4 Amendment and Waivers

No amendment or waiver of any provision of this Agreement will be binding on either Party unless consented to in writing by such Party. No waiver of any provision of this Agreement will constitute a waiver of any other provision, nor will any waiver constitute a continuing waiver unless otherwise expressly provided.

9.5 Successors and Assigns and Assignment

- (a) This Agreement will enure to the benefit of and will be binding on and enforceable by the Parties and their successors and permitted assigns. The Buyer shall have the right to direct that on Closing, certain or all of the Purchased Assets shall be transferred to one or more Affiliates.
- (b) Any Party may directly or indirectly assign, transfer or otherwise dispose of this Agreement or any obligations or rights hereunder in any manner whatsoever without the prior written consent of the other Parties.

9.6 Entire Agreement

This Agreement and the Ancillary Agreements constitute the entire agreement among the Parties with respect to the subject matter hereof and cancel and supersede any prior understandings and agreements among the Parties with respect thereto, including without limitation, the indication of interest dated July 10, 2021 from the Buyer with an exclusivity agreement between the Seller and the Buyer dated as of July 12, 2021, as amended. There are no representations, warranties, terms conditions, opinions, advice, assertions of fact, matters, undertakings or collateral agreements, express, implied or statutory, by or among the Parties (or by any representatives thereof) with respect to the subject matter hereof other than as expressly set forth in this Agreement and the Ancillary Agreements.

9.7 Counterparts

This Agreement may be executed in counterparts, each of which will constitute an original and each of which taken together will constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have executed these presents as of the day and year first above written.

NORZINC LTD.

By: “Peter Portka”
Name: Peter Portka
Title: Chief Financial Officer
I have authority to bind the corporation

NORZINC-NEWFOUNDLAND LTD.

By: “Peter Portka”
Name: Peter Portka
Title: Director
I have authority to bind the corporation

CANTERRA MINERALS CORPORATION

By: “Christopher Pennimpede”
Name: Christopher Pennimpede
Title: President and Chief Executive Officer
I have authority to bind the corporation

Schedule "A"
Description of Mineral Titles

Part I
Description of Long Lake Project (Main Zone)

<u>Fee Simple Mining Grant</u>	<u>Area (ha)</u>
Reid Lot 229	1720

Part II
Description of South Tally Pond Project

<u>Mineral License</u>	<u>Claims</u>	<u>Area (ha)</u>
026920M	35	875

Part III
Description of Tulks South Project

<u>Mineral License</u>	<u>Claims</u>	<u>Area (ha)</u>
026910M	18	450
024022M	5	125

<u>Fee Simple Mining Grant</u>	<u>Area (ha)</u>
Reid Lot 228	3293.11

Part IV
Description of the Victoria Mine

<u>Fee Simple Mining Grant</u>	<u>Area (ha)</u>
Terra Nova Properties Fee Simple Mining Grant No. 159 (Volume 1 Folio 110)	129.5
A.N.D Company Fee Simple Mining Grant No. 88 (Volume 2 Folio 25)	129.5

Fee Simple Mining Grants are more particularly described at Schedule "G".

Schedule “B”
Permitted Encumbrances

1. Encumbrances for Taxes, royalties of any Governmental Authority, assessments and similar charges that are not yet due or are being contested in good faith;
2. Minor title defects or irregularities or servitudes, easements, restrictions, encroachments, covenants, rights of way and other similar rights or restrictions in real property or mineral property, or any interest therein, whether registered or unregistered, which individually or in the aggregate would not prevent mining operations on the Purchased Mineral Properties;
3. The provisions of Applicable Laws, including by-laws, regulations, airport zoning regulations, ordinances and similar instruments relating to development and zoning;
4. Statutory exceptions to title and any reservations, exceptions, limitations, provisos and conditions contained in the original Crown grants, licenses, leases or patents or as provided by Applicable Law;
5. Rights associated with any actual or potential competing interest in, or uses for, all or any part of the Purchased Mineral Properties granted by any Governmental Authority including the occurrence of traplines, environmentally sensitive areas, unique or at risk species, parks proposals, reserves established by Applicable Law or otherwise, governmental land use plans or policies, forestry tenures, crown granted mineral claims or coal tenures; and
6. The royalties created and the obligations of the Seller and NorZinc-Newfoundland pursuant to the Royalty Agreements.

**Schedule “C”
Material Consents**

**Part I
Seller Material Consents**

1. Waiver of Glencore Canada Corporation (formerly Noranda Inc.) (“**Glencore**”) or its successors or assigns pursuant to Section 57 of the Long Lake Property Agreement dated August 30, 2000 between Glencore and Atlantic Zinc Resources Ltd. (“**Atlantic Zinc**”), and as assigned to NorZinc-Newfoundland (formerly Messina Minerals Inc.) by Atlantic Zinc pursuant to an assignment agreement dated January 23, 2004 (“**Atlantic Zinc Assignment Agreement**”), as amended July 16, 2004 and November 12, 2005 (collectively, the “**Long Lake Agreement**”).
2. Consent of Atlantic Zinc or its successors or assigns pursuant to Section 3 of the Atlantic Zinc Assignment Agreement.
3. Waiver of Glencore or its successors or assigns pursuant to Section 57 of the Tulks South Property Agreement dated July 15, 1999 between Glencore and Tulks Resources Ltd. (“**Tulks Resources**”), and as assigned to Windarra Minerals Ltd. (“**Windarra**”) by Tulks Resources pursuant to an assignment agreement dated March 26, 2001 (the “**Tulks Resources Assignment Agreement**”), as further assigned by Windarra to NorZinc-Newfoundland (formerly Mishibushu Gold Corporation) pursuant to an assignment agreement dated April 9, 2002 (the “**Windarra Assignment Agreement**”), as amended June 11, 2003 (collectively, the “**Tulks South Agreements**”).
4. Notice to Tulks Resources pursuant to the Tulks Resources Assignment Agreement.
5. Notice to Celtic Minerals Ltd. (“**Celtic**”) or its successors or assigns pursuant to Section 9.1 of the Victoria Mine Property Purchase and Assumption Agreement dated April 8, 2011 between Celtic and NorZinc-Newfoundland (formerly Messina Minerals Inc.) (the “**Celtic Assignment Agreement**”).

**Part II
Buyer Material Consents**

See Schedule “D”, Part II.

**Schedule “D”
Required Regulatory Approvals**

**Part I
Seller Required Regulatory Approvals**

1. Consent of the Minister of Industry, Energy and Technology pursuant to the *Mineral Act*, RSNL 1990 Chapter M-12.

**Part II
Buyer Required Regulatory Approvals**

1. The Buyer will be required to obtain acceptance for the issuance of the Consideration Shares from the TSX Venture Exchange.

Schedule “E” Royalty Agreements

Part I Long Lake Project Royalty Agreements

1. Pursuant to the agreement among Anglo-Newfoundland Development Company Limited and Reid Newfoundland Company (“**Reid Newfoundland**”) dated January 7, 1905, and amended by agreement dated January 27, 1948 (together, the “**Reid Agreement**”), Reid Newfoundland by the above-noted amendment, retained a 7.5% net profits royalty interest in respect of all precious and other metals, minerals, mines, mineral substances and mineral oils sold during any preceding year with respect to certain Reid Lots including Reid Lot 229.
2. Pursuant to the Long Lake Agreement, the Long Lake Project is subject to a 2.0% net smelter returns royalty in favour of Glencore (or its successors or assigns). Pursuant to the Long Lake Agreement, the counterparty has the obligation to issue 1,000,000 common shares upon the commencement of commercial production and must grant Glencore (or its successors or assigns) the right to purchase concentrate at competitive prices. The property is also subject to buy back rights as it relates to certain project areas at the option of Glencore (or its successors or assigns).

Part II South Tally Pond Project Royalty Agreements

1. Pursuant to an agreement dated September 1, 2006 between NorZinc-Newfoundland (formerly Paragon Minerals Corporation) and Altius Resources Inc. (“**Altius**”), NorZinc-Newfoundland was granted an option to acquire the South Tally Pond Project subject to an underlying agreement between Altius and Glencore dated December 18, 2000 (the “**South Tally Agreement**”). The said portion of the South Tally Pond Project is subject to a 2.0% net smelter returns royalty in favour of Glencore (or its successors or assigns). Pursuant to the South Tally Agreement, the counterparty has the obligation to pay \$2.0 million in cash or share issuance equivalent upon the commencement of commercial production and must grant the counterparty the right to purchase concentrate at competitive prices.
2. Pursuant to an agreement dated November 23, 2004, between Rubicon Minerals Corporation (“**Rubicon**”) and Allan Keats and Kevin Keats (together, “**Keats**”) with respect to the Harpoon block comprising part of the South Tally Pond Project, as assigned to NorZinc-Newfoundland (formerly Paragon Minerals Corporation) by Rubicon pursuant to an asset transfer and assignment agreement dated December 8, 2006, NorZinc-Newfoundland has the obligation to pay to the Keats a 2.0% net smelter returns royalty. One half of the royalty may be purchased by NorZinc-Newfoundland for \$1.0 million. NorZinc-Newfoundland has a right of first refusal on the remaining 1.0% net smelter returns royalty.
3. Pursuant to an agreement dated January 17, 2006 between Rubicon and A.S.K. Prospecting and Guiding Ltd. (“**A.S.K.**”) with respect to the Lake Douglas East block comprising part of the South Tally Pond Project, as assigned to NorZinc-Newfoundland (formerly Paragon Minerals Corporation) by Rubicon pursuant to an asset transfer and assignment agreement dated December 8, 2006, as amended January 7, 2009, NorZinc-Newfoundland has the obligation to pay to A.S.K. a 2.0% net smelter returns royalty. One half of the royalty may be purchased by NorZinc-Newfoundland for \$1,000,000. NorZinc-Newfoundland has a right of first refusal on the remaining 1.0% net smelter returns royalty.

4. Pursuant to an agreement dated January 18, 2006 between Rubicon and A.S.K. with respect to the Lake Douglas west block comprising part of the South Tally Pond Project, as assigned to NorZinc-Newfoundland (formerly Paragon Minerals Corporation) by Rubicon pursuant to an asset transfer and assignment agreement dated December 8, 2006, as amended January 7, 2009 NorZinc-Newfoundland has the obligation to pay to A.S.K. a 2.0% net smelter returns royalty. One half of the royalty may be purchased by NorZinc-Newfoundland for \$1,000,000. NorZinc-Newfoundland has a right of first refusal on the remaining 1.0% net smelter returns royalty.

Part III

Tulks South Project Royalty Agreements

1. Pursuant to the Reid Agreement, Reid Newfoundland retained a 7.5% net profits royalty interest in respect of all precious and other metals, minerals, mines, mineral substances and mineral oils sold during any preceding year with respect to Reid Lots including Reid Lot 228.
2. Pursuant to the Tulks South Agreements, the Tulks South Project is subject to:
 - a. a 2.0% net smelter returns royalty in favour of Glencore (or its successors or assigns). Pursuant to the Tulks South Agreements, the counterparty has the obligation to issue 1,000,000 common shares upon the commencement of commercial production and must grant Glencore (or its successors or assigns) the right to purchase concentrate at competitive prices. The property is also subject to buy back rights as it relates to certain project areas at the option of Glencore (or its successors or assigns).
 - b. a 0.5% net smelter returns royalty in favour of Tulks Resources.
 - c. a 2.0% net smelter returns royalty in favour of Windarra.

Part IV

Victoria Mine Royalty Agreement

1. Pursuant to an agreement dated December 1, 1999, between Glencore and Celtic (“**Celtic**”), as assigned to NorZinc-Newfoundland (formerly Messina Minerals Inc.) by Celtic pursuant the Celtic Assignment Agreement (collectively, the “**Victoria Mine Agreement**”), the Victoria Mine is subject to a 2.0% net smelter returns royalty in favour of Glencore (or its successors or assigns). Pursuant to the Victoria Mine Agreement, the counterparty has the obligation pay \$2.0 million in cash or share issuance equivalent upon the commencement of commercial production and must grant Glencore (or its successors or assigns) the right to purchase concentrate at competitive prices.

Schedule "F"
Purchased Personal Property

Buchan's Junction Office

<i>Description of Property</i>	<i>Quantity</i>
Prospectors Tents	3 or 4
Water Pump and Hoses	1
Magnetic Susceptibility Metre	1
Core Saws	2
Tile Saw	1
Desk	5
Map Table	1
Conference Table and Chairs	1
Filing Cabinets	6 or 7
Flat File Cabinets	2 or 3
Beds and Bedding	3
Sofa	1
Table and Chairs	1
Refrigerator	1
Stove	1
Toaster	1
Coffee Pot	1
Cookware	Misc.
Silverware	Misc.
Washing Machine	1
Dryer	1
Hot Water Tank	1
Computer/Internet Equipment and Workstations	Misc.
Plotter Printers	2
Field Gear including Rock Hammers, Radios and GPS	Misc.
Office and Core Logging Supplies	Misc.

In Storage at Buchan's Junction Office for use at Pats Pond Camp:

<i>Description of Property</i>	<i>Quantity</i>
Washing Machines	2
Dryers	2
Mattresses	9
Refrigerators	2
Stove (Electric)	1
Stove (Propane)	1
Hot Water Tank	1
Snow Blower	1
500W Generator	2
Television	1
Dishes	Misc.
Pots & Pans	Misc.
Silverware	Misc.
Toaster	1
Coffee Pot	1
Mini-Refrigerator	1
Fire Extinguishers	Misc.

**Schedule “G”
Real Property/Fee Simple Mining Grants**

Location	Long Lake Project	Tulks South Project	Victoria Mine	
Lease/Grant	Portion of Reid Lot 229	Portion of Reid Lot 228	Terra Nova Properties Fee Simple Mining Grant No. 159	A.N.D Company Fee Simple Mining Grant No. 88
Description	<p><u>ALL THAT</u> piece and parcel of land abutted and bounded as follows that is to say by a line commencing at a point at the South East angle of Lot 228 granted to the Reid Newfoundland Company running thence South four miles, East ten miles, North four miles and West ten miles to the place of commencement. Containing twenty-five thousand and two hundred and twenty acres more or less and being known as Reid Lot 229. Bearings from True Meridian.</p> <p><u>AND TOGETHER WITH</u> the right to peaceably enter, use and pass and re-pass over such portions of the said lands as might be reasonably required to give access to the said mines and minerals and to facilitate the exercise of the said mining rights.</p> <p><u>RESERVING THEREFROM</u> any lands conveyed to third parties or surrendered to the Crown by the Seller or its predecessors in title.</p>	<p><u>ALL THAT</u> piece or parcel of land abutted and bounded as follows that is to say by a line commencing at a point three miles and fifty three chains due East from the centre of Exploits River where said river enters Red Indian Lake, running thence south four miles, West ten miles, North four miles, East to the place of commencement, Containing twenty five thousand six hundred acres more or less and being known as Reid Lot 228, Bearings from True Meridian.</p> <p><u>AND TOGETHER WITH</u> the right to peaceably enter, use and pass and re-pass over such portions of the said lands as might be reasonably required to give access to the said mines and minerals and to facilitate the exercise of the said mining rights.</p> <p><u>RESERVING THEREFROM</u> any lands conveyed to third parties or surrendered to the Crown by the Seller or its predecessors in title.</p>	<p><u>ALL THAT</u> piece and parcel of land situate and being at Victoria River at the South Side of Red Indian Lake abutted and bounded as follows that is to say by a line commencing at a point being south twenty four degrees East twenty chains and South sixty-five degrees and thirty minutes West two hundred chains from the Discovery Stake, running thence South sixty-five degrees and thirty minutes West one mile; thence North twenty-four degrees and thirty minutes West one half mile; thence North sixty five degrees and thirty minutes East one mile and thence South twenty four degrees and thirty minutes east one half mile to the point of Commencement containing one half square mile, Bearings from True Meridian.</p> <p><u>AND ALSO</u> the one fifty acre Lot of unoccupied surface land the same being more particularly described in the diagram delineated on Schedule “F” to Indenture between Talisman Energy Inc. and Noranda Exploration Company, Limited registered at Roll 1072, Frame 1058 of the Registry of Deeds.</p>	<p><u>ALL THAT</u> piece or parcel of land situate and being at Victoria River on the South side of Red Indian Lake in the Island of Newfoundland, bounded and described as follows, that is to say by a line commencing at a point the South East angle of Lot No. 30 granted to the Anglo-Newfoundland Development Company Limited by Fee Simple Grant No. 88 running thence South twenty four degrees and thirty minutes East forty chains, thence South sixty-five degrees and thirty minutes West eighty chains; thence North twenty four degrees and thirty minutes West forty chains and thence North sixty-five degrees and thirty minutes East eighty chains more or less to the point of commencement. Containing three hundred and twenty acres more or less. Bearings from True Meridian.</p> <p><u>ALSO ALL THAT</u> area of unoccupied surface land, containing fifty acres, as more particularly shown on Schedule “I” to Indenture between Talisman Energy Inc. and Noranda Exploration Company, Limited registered at Roll 1072, Frame 1058 of the Registry of Deeds.</p>