

Execution Version

**ASSIGNMENT OF
TALBOT OPTION PURCHASE AGREEMENT
AND
BUCKO MILL LEASE**

NORVISTA CAPITAL CORPORATION

– and –

ROCKCLIFF METALS CORPORATION

February 20, 2019

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THIS AGREEMENT made as of the 20th day of February, 2019 (hereinafter referred to as the “**Agreement**”),

BETWEEN:

NORVISTA CAPITAL CORPORATION

a corporation duly incorporated under the federal laws of Canada, having a place of business at 141 Adelaide Street West, Suite 1660, Toronto, Ontario

(hereinafter, “**Norvista**”)

AND:

ROCKCLIFF METALS CORPORATION

a corporation duly incorporated under the laws of the Province of Ontario, having a place of business at 141 Adelaide Street West, Suite 1660, Toronto, Ontario

(hereinafter, “**Rockcliff**”)

(collectively, the “**Parties**” and each of them, a “**Party**”)

WHEREAS Rockcliff and Hudson Bay Exploration and Development Company Limited, now known as Hudbay Minerals Inc., (“**Hudbay**”) entered into the Talbot Option Agreement dated April 14, 2014 (the “**Talbot Option Agreement**”) providing Rockcliff with the option (the “**Option**”) to earn, inter alia, a 51% interest in the property (the “**Talbot Project**”) as described under Schedule “A” of the Talbot Option Agreement, a copy of which is attached as Schedule “A” hereto;

AND WHEREAS Rockcliff sold and assigned and Norvista purchased the Talbot Option Agreement pursuant to a purchase agreement dated May 3, 2018 (the “**Option Purchase Agreement**”, a copy of which is attached as Schedule “B” hereto) with and subject to the consent of Hudbay, a copy of which is attached as Schedule “C” hereto;

AND WHEREAS Rockcliff proposes to purchase and Norvista proposes to sell and assign the Talbot Option Agreement with and subject to the consent of Hudbay (form of which is attached as Schedule “D” hereto) pursuant to the terms of this Agreement (the “**Option Assignment**”);

AND WHEREAS Norvista and CaNickel Mining Limited (“**Lessor**”) entered into the Mineral Processing Facilities Lease dated February 8, 2018 (the “**Bucko Mill Lease**”) providing Norvista with a lease to the ore milling building and equipment located on Leased Premises (as defined under Schedule “A” and Schedule “B” of the Bucko Mill Lease) (the “**Mill**”) as amended on November 16, 2018, a copy of which is attached hereto as Schedule “E”;

AND WHEREAS Norvista and Lessor entered into an Environmental Indemnity Agreement dated February 8, 2018 (the “**Environmental Indemnity**”, a copy of which is attached as Schedule “F” hereto) in connection with the Bucko Mill Lease that indemnifies each party in connection with certain environmental matters relating to activities carried out under the terms of the Bucko Mill Lease;

AND WHEREAS Norvista wishes to assign all of its rights under the Bucko Mill Lease to Rockcliff and Rockcliff wishes to assume all of Norvista's obligations under the Bucko Mill Lease to be effective upon the Time of Closing (hereinafter the "**Lease Assignment**").

NOW THEREFORE, the Parties agree as follows:

ARTICLE 1 - INTERPRETATION

1.1 **Definitions**

For the purposes of this Agreement, the following words and terms shall have the meanings set out below:

"Agreement" means this Assignment Agreement and all instruments supplementing or amending or confirming this Agreement and references to "Article" or "Section" mean and refer to the specified Article or Section of this Agreement;

"Applicable Laws" means with respect to any person, all laws, statutes, regulations, by-laws, statutory rules, orders, ordinances, protocols, codes, guidelines, notices, directions (including all applicable Canadian securities laws), and terms and conditions of any grant of approval, permission, authority or licence of any court, governmental authority, statutory body or self-regulatory authority (including the Exchange), in each case, that is binding upon or applicable to such person, as amended unless expressly specified otherwise;

"Bucko Mill Lease" has the meaning set out in the recitals hereto;

"Business Day" means a day, other than a Saturday, Sunday, or statutory holiday in the Province of Manitoba on which commercial banks are open to the public for the transaction of business;

"Closing Date" has the meaning set out in Section 2.3;

"Common Shares" means common shares in the capital of Rockcliff as presently constituted;

"Consideration Shares" has the meaning set out in Subsection 2.4(a)(i);

"Confidential Information" has the meaning set out in Section 8.3;

"Direct Claim" has the meaning set out in Section 7.2;

"Encumbrances" means all interests, mortgages, charges, royalties, security interests, liens, encumbrances, actions, claims, demands and equities of any nature whatsoever or however arising and any rights or privileges capable of becoming any of the foregoing;

"Environmental Indemnity" has the meaning set out in the recitals;

"Environmental Laws" means all Applicable Laws relating to or otherwise imposing liability or standards of conduct with respect to environmental or health matters (excluding laws directly governing worker health and safety), including legislation governing the labelling, use,

transportation, manufacture, processing, generation, distribution, treatment, storage, discharge, release, disposal, clean-up or handling of Hazardous Substances (as defined herein) and laws relating to the operation, closure and reclamation of mines, mills and tailings storage facilities, including the operation of Final Discharge Point(s) (as defined under the Bucko Mill Lease), and the terms and conditions of any Environmental Permits.

“Environmental Liabilities” means any and all actions, demands, claims, debts, costs, liabilities, damages, duties, obligations, penalties, fines and charges of any nature imposed, issued, rendered or arising under or pursuant to provincial, federal and local laws or any past, present or future statute, regulation, by-law or other law, or any permit, licence, certificate, approval, order, directive or other authorization of any Governmental Body in respect of or pertaining to the impairment or contamination of the natural environment, the undertaking of mineral resource exploration, development, extraction or processing operations and the decommissioning, abandonment or closure or such operations or any matter ancillary to all of the above including, without limitation, the abatement, reclamation, rehabilitation, remediation and restoration of mining properties and assets and the natural environment;

“Environmental Permits” means all permits, certificates, licences, authorizations, consents, instructions, registrations, directions or approvals issued or required by any Governmental Bodies pursuant to any Environmental Laws in relation to construction, operation and closure of the Leased Premises, including without limitation *The Environment Act*, C.C.S.M. c. E125 (Manitoba) licences, all Reclamation and Closure Obligations (as defined under the Bucko Mill Lease), any permit issued by a Government Body authorizing the use of water or electricity and Land Use Permits;

“Exchange” means the applicable jurisdiction of either the TSX Venture Exchange or the Canadian Securities Exchange, as the case may be, for which each Party under which is a reporting issuer whose shares are listed for trading;

“Governmental Body” means any government, parliament, legislature, or any regulatory authority, agency, commission or board of any government, parliament or legislature, or any court or (without limitation to the foregoing) any other law, regulation or rule-making entity (including any central bank, fiscal or monetary authority or authority regulating banks), having or purporting to have jurisdiction in the relevant circumstances, or any Person acting or purporting to act under the authority of any of the foregoing (including any arbitrator);

“Greenstone” has the meaning set out in Section 2.7(e);

“Greenstone Subscription Agreement” has the meaning set out in Section 2.7(e);

“Hazardous Substances” means any substance which is deemed to be, alone or in any combination, hazardous, hazardous waste, radioactive, deleterious, toxic, caustic, dangerous, a contaminant, a pollutant, a dangerous good, a waste, a special waste, a source of contamination, or a source of a pollutant under any Environmental Law whether or not such substance is defined as hazardous under the Environmental Law involved; any substances or materials the presence or concentration of which in soil, sediment, ground water or surface water is regulated under any Environmental Law, including, without limitation, asbestos, asbestos-containing materials, lead or lead-based paint, polychlorinated biphenyls, mould, mildew or fungi, oil, waste oil, petroleum, petroleum productions, or urea formaldehyde foam

insulation; and any other material or substance which may pose a threat to the environment or to human health or safety.

“**Hudbay**” has the meaning set out in the recitals;

“**Indemnified Party**” has the meaning set out in Section 7.1;

“**Indemnifying Party**” has the meaning set out in Section 7.1;

“**Land Use Permits**” means all property rights, including mineral leases, surface leases or Crown land general permits needed for the operation of the Mill (as defined under the Bucko Mill Lease) and the future development and operation of the Tailings Storage Facilities contemplated in the Bucko Mill Lease;

“**Lease Assignment**” has the meaning set out in the recitals;

“**Lessor**” has the meaning set out in the recitals;

“**Losses**”, in respect of any matter, means all claims, demands, proceedings, losses, damages, liabilities, deficiencies, fines, costs and expenses (included, without limitation, all legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement) and judgments arising directly or indirectly as a consequence of such matter;

“**Mill**” has the meaning set out in the recitals;

“**Mining Act**” means the *Mines and Minerals Act*, C.C.S.M. c. M162 (Manitoba) and any regulations thereunder;

“**NI 43-101F1 Technical Report**” means the technical report required to be filed under Part 4 of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* in accordance with the form thereof;

“**Option Assignment**” has the meaning set out in the recitals;

“**Option Purchase Agreement**” has the meaning set out in the recitals;

“**Outside Date**” means May 20, 2019;

“**Person**” means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative or Governmental Body.

“**Public Disclosure Record**” means, without limitation, all information about Norvista and its subsidiaries contained in any press release, material change report, financial statement, prospectus, annual information form, offering memoranda, management information circular, management discussion and analysis, or other public disclosure document filed on or after January 1, 2017 with the applicable Canadian securities regulatory authorities pursuant to applicable Securities Laws or otherwise under the Norvista’s profile at www.sedar.com;

“Securities Laws” means applicable securities legislation and regulations of, and the instruments, policies, rules, orders, codes, notices and interpretation notes of the applicable securities regulatory authority or applicable securities regulatory authorities in each of British Columbia, Alberta, Manitoba, Ontario, as applicable, including, as applicable the policies and rules of the Exchange;

“Shareholder Consents” has the meaning set out in Section 2.4(b)(i);

“Talbot Project” has the meaning set out in the recitals and refers to the property package described in Schedule “A” to Talbot Option Agreement;

“Talbot Option Agreement” has the meaning set out in the recitals;

“Third Party Claim” has the meaning set out in Section 7.2; and

“Time of Closing” means 10:00 a.m. (Eastern Standard Time) on the Closing Date, or such other time on the Closing Date as Rockcliff and Norvista may agree; and

“Transactions” has the meaning set out in Section 2.3.

1.2 **Rules of Interpretation**

In this Agreement:

- (a) unless otherwise specified, all dollar amounts refer to Canadian dollars;
- (b) the division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;
- (c) use of words in the singular or plural, or with a particular gender, shall not limit the scope or exclude the application of any provision of this Agreement to such person or persons or circumstances as the context otherwise permits;
- (d) whenever this Agreement requires payment to be made or action to be taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following such day;
- (e) the words “including” or “includes” are deemed to mean including or includes without limitation;
- (f) any reference to a law is a reference to such law as in force from time to time, including (i) modifications thereto, (ii) any regulation, decree, order or ordinance enacted thereunder and (iii) any law that may be passed which has the effect of supplementing, re-enacting or superseding the law to which it is referred; and
- (g) any reference to a numbered or lettered section in this Agreement is a reference to the section bearing that number or letter in this Agreement and a reference to “this” section means the section in which such reference appears.

1.3 **Entire Agreement**

This Agreement, together with the other agreements referred to herein, shall constitute the entire agreement between the Parties pertaining to the subject matter of this Agreement and shall supersede all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no warranties, representations, conditions or covenants, express or implied, relating to the subject matter of this Agreement except as specifically provided herein. No supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the Party to be bound thereby.

1.4 **Time of the Essence**

Time is of the essence in this Agreement.

1.5 **Applicable Law**

This Agreement will be construed and governed by the laws in force in the Province of Manitoba and the courts of the Province of Manitoba will have exclusive jurisdiction to hear and determine all disputes arising hereunder.

1.6 **Severability**

If any provision of this Agreement is determined to be void or unenforceable, in whole or in part, all other provisions of the Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is void or unenforceable, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties to the end that the transactions contemplated herein are fulfilled to the extent possible.

1.7 **Schedules**

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

- Schedule "A" - Talbot Option Agreement between Rockcliff and Hudbay;
- Schedule "B" - Option Purchase Agreement between Rockcliff and Norvista dated May 3, 2018;
- Schedule "C" - Hudbay consent to Rockcliff assignment of Talbot Option Agreement to Norvista dated June 20, 2018;
- Schedule "D" - Form of Hudbay consent to Norvista assigning Talbot Option Agreement to Rockcliff;
- Schedule "E" - Bucko Mill Lease;
- Schedule "F" - Existing Environmental Indemnity;
- Schedule "G" - Lender's Undertaking for Bucko Mill Lease;

- Schedule "H" - Successor Form of Environmental Indemnity;
- Schedule "I" - Form of consent for Assignment of Bucko Mill Lease; and
- Schedule "J" - Successor Form of Undertaking for Bucko Mill Lease.

ARTICLE 2 - ASSIGNMENT OF ASSETS

2.1 Assignment of Option

- (a) Subject to the provisions of this Agreement and the consent of Hudbay, Norvista hereby assigns all of its right, title and interest in the Talbot Option Agreement to Rockcliff in consideration for the issuance by Rockcliff of 22,096,667 fully paid and non-assessable Common Shares with each Common Share carrying a deemed value of \$0.15.
- (b) Rockcliff hereby accepts assignment of the Talbot Option Agreement on the terms and conditions as provided for herein, and agrees to assume all the present and future obligations of Norvista under the Talbot Option Agreement.

2.2 Assignment of Lease and Performance of Covenants

- (a) Subject to the provisions of this Agreement and satisfactory notice to and consent from the Lessor pursuant to the Bucko Mill Lease, Norvista hereby sells, assigns and transfers to Rockcliff and Rockcliff hereby accepts all the right, title and interest of Norvista in and to the Bucko Mill Lease, together with the unexpired residue of the term of the Bucko Mill Lease, and any right of extension thereof, and all rights, benefits and advantages whatsoever to be derived therefrom and after the date hereof, including benefit of all powers, covenants and provisos contained in the Bucko Mill Lease, to have and receive the same unto Rockcliff, its successors and assigns.
- (b) In consideration for the assignment of the Bucko Mill Lease, Rockcliff hereby agrees to issue and allot to Norvista 44,193,333 fully paid and non-assessable Common Shares with each Common Share carrying a deemed value of \$0.15.
- (c) Rockcliff hereby agrees to indemnify and hold harmless Norvista from any claim, demand, account, suit, action, liability and costs whatsoever made or brought against Norvista as a result of the non-performance or breach by Rockcliff of any of the obligations of Rockcliff under the Bucko Mill Lease or Environmental Indemnity occurring on or after the Time of Closing.
- (d) Norvista hereby agrees to indemnify and hold harmless Rockcliff from any claim, demand, account, suit, action, liability and costs whatsoever made or brought against Rockcliff as a result of the non-performance or breach by Norvista of any of the obligations of Norvista under the Bucko Mill Lease or Environmental Indemnity occurring prior to the Time of Closing.

2.3 **Closing Time and Place**

The Option Assignment and Lease Assignment (hereinafter, the “**Transactions**”) will be completed at the Time of Closing at 22 Adelaide Street West, Suite 3600, Toronto, ON M5H 4E3, or at such other place or time as may be mutually agreed upon by the Parties on or before the Outside Date (the “**Closing Date**”).

2.4 **Closing Deliveries**

At the Time of Closing,

(a) Rockcliff shall deliver to Norvista:

- (i) a share certificate representing 66,290,000 Common Shares (the “**Consideration Shares**”); and
- (ii) certified copies of the resolutions passed by the board of directors of Rockcliff approving this Agreement, as well as the consummation of the Transactions contemplated herein;
- (iii) a certificate dated the date of the Closing Date, addressed to Norvista and signed by the Chief Executive Officer and Chief Financial Officer of Rockcliff, certifying for and on behalf of Rockcliff, and not in their personal capacities, after having made due inquiries, with respect to the following matters:
 - 1) Rockcliff having complied with all the covenants, in all material respects, and satisfied all the terms and conditions of this Agreement on its part to be complied with and satisfied at or prior to the Closing Date;
 - 2) no order, ruling or determination having the effect of ceasing or suspending trading in any securities of Rockcliff or prohibiting the sale of the Common Shares or any of Rockcliffs’ issued securities, and no proceeding for such purpose being pending or, to the knowledge of such officers, threatened under any Securities Laws;
 - 3) subsequent to the date of this Agreement, no adverse material change relating to Rockcliff on a consolidated basis having occurred since the date of this Agreement;
 - 4) the representations and warranties of Rockcliff contained in this Agreement and in any certificates of Rockcliff delivered pursuant to or in connection with this Agreement, being true and correct in all material respects (or, if qualified by materiality, in all respects) at the Closing Date, with the same force and effect as if made on and as at the Closing Date, except for such

representations and warranties which are in respect of a specific date in which case such representations and warranties shall be true and correct in all material respects (or, if qualified by materiality, in all respects) as of such date, after giving effect to the transactions contemplated by this Agreement;

(iv) a favourable legal opinion addressed to Norvista and its legal counsel, in form and substance satisfactory to Norvista and its legal counsel, dated the Closing Date from counsel for Rockcliff, which opinion shall address such matters as Norvista may reasonably request, including, without limitation:

- 1) Rockcliff being a corporation duly incorporated and validly existing under the laws of Ontario;
- 2) Rockcliff having the corporate capacity and power to own and lease its properties and assets and to carry on its business as now conducted and to undertake the Transactions and to carry out all other obligations and transactions contemplated herein, including entering into, executive and delivering this Agreement and carrying out its obligations thereunder;
- 3) all necessary corporate action having been taken by Rockcliff to authorize the execution and delivery of this Agreement and the performance of its obligations thereunder, and the Agreement having been duly executed and delivered by Rockcliff and is enforceable against, Rockcliff in accordance with its terms (subject to bankruptcy, insolvency, or other laws affecting the rights of creditors generally, general equitable principles including the availability of equitable remedies and the qualification that no opinion need be expressed as to right to indemnity, contribution and waiver of contribution); and
- 4) the execution and delivery by Rockcliff of this Agreement, the fulfillment of the terms thereof by the Rockcliff and the issue and delivery on the Closing Date of Consideration Shares as contemplated herein do not constitute or result in a breach of or a default under, and do not create a state of facts which, after notice or lapse of time or both, will constitute or result in a breach of, and will not conflict with, any of the terms, conditions or provisions of the articles or by-laws of Rockcliff.

- (v) environmental indemnity in the form attached as Schedule "H" hereto to replace the environmental indemnity attached as Schedule "F" hereto ; and
- (vi) any other necessary regulatory approvals required pursuant to the Transactions.

(b) Norvista shall deliver to Rockcliff:

- (i) certified copies of the resolutions passed by the board of directors and consents of a majority of shareholders of Norvista approving this Agreement (the "**Shareholder Consents**") and the consummation of the Transactions contemplated herein;
- (ii) a certificate dated the date of the Closing Date, addressed to Rockcliff and Greenstone and signed by the Chief Executive Officer and Chief Financial Officer of Norvista, certifying for and on behalf of Norvista, and not in their personal capacities, after having made due inquiries, with respect to the following matters:
 - 1) Norvista having complied with all the covenants, in all material respects, and satisfied all the terms and conditions of this Agreement on its part to be complied with and satisfied at or prior to the Closing Date;
 - 2) subsequent to the date of this Agreement, no adverse material change relating to the Talbot Project or the Buckle Mill Lease;
 - 3) the representations and warranties of Norvista contained in this Agreement and in any certificates of Norvista delivered pursuant to or in connection with this Agreement, being true and correct in all material respects (or, if qualified by materiality, in all respects) at the Closing Date, with the same force and effect as if made on and as at the Closing Date, except for such representations and warranties which are in respect of a specific date in which case such representations and warranties shall be true and correct in all material respects (or, if qualified by materiality, in all respects) as of such date, after giving effect to the transactions contemplated by this Agreement;
- (iii) Hudbay consent to the assignment of the Talbot Option Agreement to Rockcliff in the form attached hereto as Schedule "C";
- (iv) evidence of Norvista providing the Lessor at least thirty (30) days' notice of the Lease Assignment;

- (v) confirmation the Lessor does not object to Norvista's assignment of the Bucko Mill Lease to Rockcliff in the form attached as Schedule "I" and the form of undertaking attached as Schedule "J" to replace the form of undertaking attached as Schedule "G";
- (vi) duly executed mining transfer form evidencing the transfer of the Talbot Option Agreement from Norvista in favour of Rockcliff, in the form prescribed by the Mining Act, together with any other document necessary or useful for such transfer, the whole to the Parties' satisfaction;
- (vii) a favourable legal opinion addressed to Rockcliff and its legal counsel and Greenstone and its legal counsel, in form and substance satisfactory to Rockcliff and its legal counsel, dated the Closing Date from counsel for Norvista, which opinion shall address such matters as Rockcliff may reasonably request, including, without limitation:
 - 1) Norvista being a corporation duly incorporated and validly existing under the federal laws of Canada;
 - 2) Norvista having the corporate capacity and power to own and lease its properties and assets and to carry on its business as now conducted and to undertake the Transactions and to carry out all other obligations and transactions contemplated herein, including entering into, executive and delivering this Agreement and carrying out its obligations thereunder;
 - 3) all necessary corporate action having been taken by Norvista to authorize the execution and delivery of this Agreement and the performance of its obligations thereunder, and the Agreement having been duly executed and delivered by Norvista and is enforceable against, Norvista in accordance with its terms (subject to bankruptcy, insolvency, or other laws affecting the rights of creditors generally, general equitable principles including the availability of equitable remedies and the qualification that no opinion need be expressed as to right to indemnity, contribution and waiver of contribution);
 - 4) the execution and delivery by Norvista of this Agreement and the fulfillment of the terms thereof by the Norvista as contemplated herein do not constitute or result in a breach of or a default under, and do not create a state of facts which, after notice or lapse of time or both, will constitute or result in a breach of, and

will not conflict with, any of the terms, conditions or provisions of the articles or by-laws of Norvista; and

- 5) title matters with respect to the Talbot Project and the Bucko Mill Lease.
- (viii) copies of all data and other materials regarding the Talbot Project per Section 5.4; and
- (ix) any other necessary regulatory approvals required pursuant to the Transactions including approval of the TSX Venture Exchange and the Canadian Securities Exchange.

2.5 **Cost of Transfer of Property**

Rockcliff shall be responsible to pay any statutory or administrative fee or duty in relation to the transfer of Talbot Option Agreement or Bucko Mill Lease from Norvista to Rockcliff and to the registration thereof.

2.6 **Restrictions on Securities**

The Parties hereby acknowledge and agree that:

- (a) the Consideration Shares issued by Rockcliff to Norvista pursuant to this Agreement will be subject to such resale restrictions as may be imposed by Applicable Laws;
- (b) Rockcliff will be required to include the following legend on any certificates representing the Consideration Shares:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [DATE THAT IS FOUR MONTHS AND A DAY AFTER THE DATE OF DISTRIBUTION]”
- (c) Norvista is solely responsible for compliance with such resale restrictions.
- (d) The Consideration Shares shall be subject to escrow in accordance with the terms of National Policy 46-201 - *Escrow for Initial Public Offerings*, to be released on the basis that Rockcliff is deemed to be an emerging issuer as defined therein.

2.7 **Conditions of Closing in favour of Rockcliff**

Rockcliff's obligations to complete the Transactions are subject to the following conditions for the sole benefit of Rockcliff, to be performed or fulfilled at or prior to the Time of Closing:

- (a) **Representations and Warranties.** The representations and warranties of Norvista contained herein will be true and accurate and not misleading in any material respect as at the Closing Date with the same effect as if such representations and warranties had been made at the Closing Date;

- (b) Covenants. Norvista shall have complied with or performed all of the terms, covenants and conditions contained in this Agreement which are to be complied with or performed on or before the Closing Date; and
- (c) Authorization. Norvista shall have furnished Rockcliff with a certified copy of the resolution passed by the Board of Directors of Norvista approving this Agreement and the consummation of the Transactions contemplated herein and the Shareholder Consents;
- (d) Due diligence. Rockcliff shall be satisfied in its sole and absolute discretion, acting reasonably, with its review of the title and environmental state of the Bucko Mill Lease and the Talbot Project;
- (e) Completion of Financing. Each of the Escrow Release Conditions (as defined in the subscription agreement between Greenstone Resources II LP (“**Greenstone**”) and Rockcliff of even date hereof (the “**Greenstone Subscription Agreement**”)) other than the condition in respect of the closing of the Acquisitions on the terms set forth in the Acquisition Agreements (as such terms are defined in the Greenstone Subscription Agreement) shall have been met;
- (f) Regulatory Consents. Rockcliff shall have obtained from all appropriate Governmental Bodies such licenses, permits, consents, approvals, registrations and authorizations as are required to be obtained to permit the Transactions;
- (g) Exchange Consent. Rockcliff shall have obtained any necessary approvals of the Exchange and the Canadian Securities Exchange; and
- (h) Closing Deliveries. Rockcliff shall have received the deliveries required by Section 2.4(b).

If any of the conditions contained in this Section 2.7 shall not be performed or fulfilled at or prior to the Time of Closing to the satisfaction of Rockcliff, acting reasonably, Rockcliff may, by notice to Norvista, terminate this Agreement and the obligations of Rockcliff and Norvista under this Agreement. Any such condition may be waived in whole or in part by Rockcliff without prejudice to any claims it may have for breach of covenant, representation or warranty.

2.8 Conditions of Closing in favour of Norvista

The obligations of Norvista to complete the transactions provided for in this Agreement are subject to the following conditions for the sole benefit of Norvista, to be performed or fulfilled at or prior to the Time of Closing:

- (a) Representations and Warranties. The representations and warranties of Rockcliff contained herein will be true and accurate and not misleading in any material respect as at the Closing Date with the same effect as if such representations and warranties had been made at the Closing Date;

- (b) Covenants. Rockcliff shall have complied with or performed all of the terms, covenants and conditions contained in this Agreement which are to be complied with or performed on or before the Closing Date;
- (c) Authorization. Rockcliff shall have furnished Norvista with a certified copy of the resolution passed by the Board of Directors of Rockcliff approving this Agreement and the consummation of the Transactions contemplated herein;
- (d) Regulatory Consents. Norvista shall have obtained from all appropriate Governmental Bodies such licenses, permits, consents, approvals, registrations and authorizations as are required to be obtained to permit the Transactions;
- (e) Exchange Consent. Norvista shall have obtained any necessary approvals of the Exchange and the Canadian Securities Exchange;
- (f) Completion of Financing. Each of the Escrow Release Conditions (as defined in the subscription agreement between Greenstone Resources II LP (“Greenstone”) and Rockcliff of even date hereof (the “Greenstone Subscription Agreement”)) other than the condition in respect of the closing of the Acquisitions on the terms set forth in the Acquisition Agreements (as such terms are defined in the Greenstone Subscription Agreement) shall have been met; and
- (g) Closing Deliveries. Norvista shall have received at the deliveries required by Section 2.4(a).

If any of the conditions contained in this Section 2.8 shall not be performed or fulfilled at or prior to the Time of Closing to the satisfaction of Norvista, acting reasonably, Norvista may, by notice to Rockcliff, terminate this Agreement and the obligations of Rockcliff and Norvista under this Agreement. Any such condition may be waived in whole or in part by Norvista without prejudice to any claims it may have for breach of covenant, representation or warranty.

ARTICLE 3 - REPRESENTATIONS AND WARRANTIES OF NORVISTA

Norvista represents and warrants to Rockcliff as follows and acknowledges that Rockcliff is relying on such representations and warranties in connection with the Transactions:

3.1 Incorporation and Authority

Norvista is a validly existing corporation under the federal laws of Canada and has the corporate power and authority to carry on its business as presently conducted; to own, lease and operate all of its assets; and to enter into this Agreement and perform its obligations hereunder.

3.2 Due Authorization

- (a) This Agreement and the Transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of Norvista and constitute valid obligations of Norvista legally binding upon it and enforceable against it in accordance with its terms.

- (b) Norvista has all corporate power and authority necessary to complete the Transactions contemplated herein.
- (c) Norvista has received all third party consents required to enter into and carry out its obligations under this Agreement.

3.3 **No Violation**

The entering into of this Agreement by Norvista and consummation of the transactions herein provided for will not result in: (a) breach or violation of (i) any of the terms, conditions or provisions of the constating documents or by-laws of Norvista; (ii) any license, permit, approval or authorization held by Norvista or relating to the Bucko Mill Lease or Talbot Project; or (iii) any statute, law or regulation applicable to Norvista or any agreement or instrument to which Norvista is a party; or (b) the creation or imposition of any Encumbrance on the Bucko Mill Lease or the Talbot Project.

3.4 **Talbot Project**

- (a) The Talbot Option is in good standing in accordance with its terms and is a valid and subsisting agreement in full force and effect, enforceable in accordance with its terms by or against Norvista or its subsidiaries, as applicable, and none of Norvista nor any of its subsidiaries is in default in any material respect in the observance or performance of any term, covenant or obligation to be performed by Norvista or any of its subsidiaries under the Talbot Option nor has any such default been alleged and no event has occurred which, with notice or lapse of time or both, would constitute such a default by Norvista or any of its subsidiaries and none of Norvista nor any of its subsidiaries is aware of any material disputes with respect thereto.
- (b) A total of \$3,691,000 has been duly and validly spent as Expenditures (as defined in the Talbot Option Agreement) and \$3,850,000 shall have been duly and validly spent as Expenditures prior to the fifth Anniversary Date (as defined in the Talbot Option Agreement) in accordance with the terms and conditions of the Talbot Option Agreement.
- (c) No person has any agreement, right, title or privilege for the purchase, acquisition or transfer of the Talbot Option Agreement other than pursuant to the Option Assignment on the terms as provided for herein.
- (d) The claims comprising the Talbot Project are validly staked, located, duly recorded in the name of Hubday, are in good standing pursuant to all Applicable Laws and all taxes, rents, charges and assessments with respect thereto have been paid in full as of the date hereof.
- (e) There are no adverse claims or challenges against, or to the ownership of, or title to, the Talbot Project or substances thereon, therein or therefrom, nor to the knowledge of Norvista is there any basis therefor.
- (f) All necessary information and data (including, without limitation, all geological, geophysical and assay results and maps) concerning the Talbot Project and prior

exploration and development work carried out thereon and within Norvista's knowledge has been disclosed and provided to Rockcliff.

- (g) Norvista has no information or knowledge of any facts pertaining to the Talbot Project or substances thereon, therein, or therefrom not disclosed in writing to Rockcliff which, if known to Rockcliff, might reasonably be expected to deter Rockcliff from completing the transactions contemplated hereby on the terms and conditions contained herein.
- (h) Norvista has not directly or indirectly caused, permitted or allowed any contaminants as defined in Applicable Laws, pollutants, wastes or toxic substances ("**Hazardous Substances**") to be released, discharged, placed, escaped, leached or disposed of on, into, under or through the lands (including watercourses, improvements thereon and contents thereof) comprising the Talbot Project or nearby areas and, so far as Norvista is aware, no Hazardous Substances or underground storage tanks are contained, harboured or otherwise present in or upon such lands (including watercourses, improvements thereon and contents thereof) or nearby areas.
- (i) To the best of Norvista's knowledge there are no obligations or commitments for reclamation, closure, or other environmentally corrective, clean-up or remediation action directly or indirectly relating to the Talbot Project.
- (j) There are no outstanding work orders or actions required or reasonably anticipated to be required to be taken in respect of the rehabilitation or restoration of the tenements or facilities or relating to environmental matters in respect of the tenements or facilities, nor has Norvista received notice of same.
- (k) There are no actions, suits, investigations or proceedings before any court, arbitrator, administrative agency or other tribunal or Governmental Body, whether current, pending or threatened, which directly or indirectly relate to or affect the Talbot Project (including the ownership and existing or past uses thereof and the compliance with laws of the lands comprising the Talbot Project) nor is Norvista aware of any facts which would lead Norvista to suspect that the same might be initiated or threatened.
- (l) To the best of Norvista's knowledge, the activities directly or indirectly related to the Talbot Project and use of the lands comprising the Talbot Project, by Norvista and by any other person, have been in compliance with all laws and Norvista has not received any notice nor is Norvista aware after reasonable inquiry of any such breach or violation having been alleged.
- (m) Norvista is the sole legal and beneficial owner of a 51% earn-in interest in the Talbot Project, and to the best of Norvista's knowledge, is free and clear of all royalties, liens, charges and Encumbrances of any kind, and Norvista has the power and authority to deliver legal and beneficial ownership of the Talbot Option Agreement to Rockcliff.
- (n) The mineral claims comprising the Talbot Project have, to the best of Norvista's knowledge, been properly located and staked and recorded in compliance with the laws of the jurisdiction in which they are situated, are accurately described in Schedule "A" of the Talbot Option Agreement (attached hereto), and are valid and subsisting mineral claims as at the date of this Agreement.

- (o) All taxes, local improvements, assessment rates, utilities and any and all other payments to or assessments of any Governmental Body having jurisdiction in respect of the mineral claims comprising the Talbot Project have been made by Norvista or Hudbay in respect of the Talbot Project up to and including the Time of Closing.
- (p) Neither Norvista nor, to the best of Norvista's knowledge, Hudbay: (i) is not a party to any arrangement or understanding with First Nations, Métis, tribal or native authorities, communities or groups in relation to the environment or the development of communities in the vicinity of, or in connection with, the Talbot Project; (ii) is not currently engaged or involved in any disputes, discussions or negotiations with First Nations, Métis, tribal or native authorities, communities or groups, or Governmental Body (other than normal course consultations); and (iii) has not received notice of any existing claim with respect to the Talbot Project, either from First Nations, Métis, tribal or native authorities, communities or groups or any Governmental Body, indicating that any part of the Talbot Project infringes upon or has an adverse effect on aboriginal rights or interest, and is generally not otherwise aware of any such matters other than as noted in information provided by Norvista to the Rockcliff in writing.
- (q) To the best of Norvista's knowledge, no specific requirements related to culture or archaeological sites or resource management zone or reserve or traditional lands of First Nations, Métis, tribal or native authorities, communities or groups located within the Talbot Project are currently having, or could reasonably be expected to have, any impact on the exploration or development of the Talbot Project.
- (r) Norvista does not have information or knowledge of any Environmental Liabilities relating to the mineral claims comprising the Talbot Project and there are not any legal or administrative actions existing, pending or threatened against Norvista nor the Talbot Project in respect of any Environmental Liabilities.
- (s) Norvista does not have any information or knowledge of any actions, suits, investigations or proceedings before any court, arbitrator, administrative agency or other tribunal or Governmental Body, whether current, pending or threatened, which directly or indirectly relate to or affect the Bucko Mill Lease or the Talbot Project nor is Norvista aware of any facts which would lead it to suspect that the same might be initiated or threatened.
- (t) Norvista is not aware of any existing legislation, regulation or policy, which it anticipates will materially and adversely affect the Talbot Project.

3.5 **Bucko Mill Lease**

- (a) The Bucko Mill Lease is in good standing in accordance with its terms and the terms of the Bucko Mill Lease Amendment. The Bucko Mill Lease and the Bucko Mill Lease Amendment are valid and subsisting agreements in full force and effect, enforceable in accordance with their respective terms by or against Norvista or its subsidiaries, as applicable, and none of Norvista nor any of its subsidiaries is in default in any material respect in the observance or performance of any term, covenant or obligation to be performed by Norvista or any of its subsidiaries under the Bucko Mill Lease and the Bucko Mill Lease Amendment nor has any such default been alleged and no event has

occurred which, with notice or lapse of time or both, would constitute such a default by Norvista or any of its subsidiaries and none of Norvista nor any of its subsidiaries is aware of any material disputes with respect thereto.

- (b) The Environmental Indemnity is in good standing in accordance with its terms and, of which we are aware, with no claims or basis for any claims thereunder.
- (c) Norvista has maintained and will continue to maintain adequate commercial liability, major equipment, business interruption and environmental liability insurance consistent with the terms of the Bucko Mill Lease up to and including the Closing Date.
- (d) All taxes, local improvements, assessment rates, utilities and any and all other payments to or assessments of any Governmental Body having jurisdiction in respect of the Bucko Mill Lease have been made by Norvista in respect of the Bucko Mill Lease up to and including the Closing Date.
- (e) To the best of Norvista's knowledge, all agreements with Manitoba Hydro to provide electricity pursuant to the Bucko Mill Lease remain in good standing.
- (f) All necessary information and data within Norvista's knowledge or control (including, without limitation, Mill Audits (as defined under the Bucko Mill Lease), consultant reports, operational statistics, historical energy usage reports, maintenance reports, and engineering reports) concerning the Mill have been disclosed and provided to Rockcliff.
- (g) All environmental permits associated with the Bucko Mill Lease remain in good standing.
- (h) To the best of Norvista's knowledge, the Bucko Mill Lease and the operations permitted thereunder comply with all Applicable Laws (including Environmental Laws and Environmental Permits), including, without limitation, carrying out all data collection, reporting and giving notices to Governmental Bodies and meeting all requirements of Environmental Laws in relation to use of water, impacts to air and water, storage of tailings and the operation of the Final Discharge Point (as defined in the Bucko Mill Lease).
- (i) Pursuant to the Bucko Mill Lease, the Lessor is solely responsible for compliance with all Environmental Laws and Environmental Permits associated with the Bucko Lake Mine, including its Interim Tailings Storage Facility and any Final Discharge Point associated therewith (all defined under the Bucko Mill Lease).
- (j) Norvista has no information or knowledge of any facts pertaining to the Bucko Mill Lease or substances thereon, therein, or therefrom not disclosed in writing to Rockcliff which, if known to Rockcliff, might reasonably be expected to deter Rockcliff from completing the transactions contemplated hereby on the terms and conditions contained herein.
- (k) To the best of Norvista's knowledge there are no obligations or commitments for reclamation, closure, or other environmentally corrective, clean-up or remediation action directly or indirectly relating to the Bucko Mill (as defined under the Bucko Mill Lease).

- (l) Norvista has not directly or indirectly caused, permitted or allowed any contaminants as defined in Applicable Laws, pollutants, wastes or toxic substances (“**Hazardous Substances**”) to be released, discharged, placed, escaped, leached or disposed of on, into, under or through the lands (including watercourses, improvements thereon and contents thereof) comprising the Bucko Mill Lease or nearby areas and, so far as Norvista is aware, no Hazardous Substances or underground storage tanks are contained, harboured or otherwise present in or upon such lands (including watercourses, improvements thereon and contents thereof) or nearby areas.
- (m) To the best of Norvista’s knowledge the water treatment facilities located within the area comprising the Bucko Mill Lease (the “**Water Treatment Facilities**”) do not require modification in capacity or process.
- (n) Neither Norvista nor, to the best of Norvista’s knowledge, the Lessor: (i) is a party to any arrangement or understanding with First Nations, Métis, tribal or native authorities, communities or groups in relation to the environment or the development of communities in the vicinity of, or in connection with, the Mill; (ii) is currently engaged or involved in any disputes, discussions or negotiations with First Nations, Métis, tribal or native authorities, communities or groups, or Governmental Body (other than normal course consultations, which have been disclosed in writing to Rockcliff); and (iii) has received notice of any existing claim with respect to the Mill, either from First Nations, Métis, tribal or native authorities, communities or groups or any Governmental Body, indicating that any part of the Mill infringes upon or has an adverse effect on aboriginal rights or interest, and Norvista is not otherwise aware of any such matters other than as noted in information provided by Norvista to Rockcliff
- (o) To the best of Norvista’s knowledge there are no specific requirements related to culture or archaeological sites or resource management zone or reserve or traditional lands of First Nations, Métis, tribal or native authorities, communities or groups located within the area comprising the Bucko Mill Lease that have had, are currently having, or could reasonably be expected to have, any impact on the operation of the Mill.
- (p) Norvista is not aware of any existing legislation, regulation or policy, which it anticipates will materially and adversely affect the operation of the Mill pursuant to the terms of the Bucko Mill Lease.

3.6 **Public Disclosure**

All filings comprising the Public Disclosure Record in respect of the Talbot Option and Bucko Mill Lease were true and correct in all material respects and did not contain any misrepresentations (as defined in the Securities Laws) or material omissions as of the respective dates of such filings and were prepared in accordance with, and comply with, the Securities Laws and Norvista is not in default of its filings under, nor has it failed to file or publish any document required to be filed or published under applicable Securities Laws insofar as they relate to the Lease and Option.

ARTICLE 4 - REPRESENTATIONS AND WARRANTIES OF ROCKCLIFF

Rockcliff represents and warrants to Norvista as follows and acknowledges that Norvista is relying on such representations and warranties in connection with the Transactions contemplated

hereby:

4.1 **Incorporation and Authority**

Rockcliff is a validly existing corporation under the laws of Ontario and has the corporate power and authority to carry on its business as presently conducted and as presently proposed to be conducted; to own, lease and operate all of its assets; and to enter into this Agreement and perform its obligations hereunder.

4.2 **Due Authorization**

- (a) This Agreement and the Transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of Rockcliff and constitute valid obligations of Rockcliff legally binding upon it and enforceable against it in accordance with its terms.
- (b) Rockcliff has all corporate power and authority necessary to complete the Transactions contemplated herein.
- (c) Rockcliff is lawfully authorized to hold mineral claims under the laws of Manitoba.

4.3 **No Violation**

The entering into of this Agreement by Rockcliff and consummation of the Transactions herein provided for will not result in breach or violation of (a) any of the terms, conditions or provisions of the constating documents or by-laws of Rockcliff; or (b) any statute, law or regulation applicable to Rockcliff or any agreement or instrument to which Rockcliff is a party.

4.4 **Capitalization**

The authorized capital of Rockcliff consists of an unlimited number of Common Shares of which 78,966,523 Common Shares are issued and outstanding prior to the Time of Closing.

4.5 **Issuance of Shares**

The board of directors of Rockcliff have reserved and allotted a sufficient number of Consideration Shares as are issuable pursuant to this Agreement and, subject to the terms and conditions of the Agreement, such Consideration Shares will be validly issued as fully paid and non-assessable pursuant to the Agreement. Upon the Time of Closing, the issued Consideration Shares will be listed and posted for trading on the Canadian Securities Exchange.

4.6 **Reporting Issuer Status**

Rockcliff is a reporting issuer within the meaning of the Applicable Laws in the jurisdictions in which it reports and is current and up-to-date in all material respects with all filings required to be made pursuant to Applicable Laws and is not included on the list of defaulting reporting issuers maintained by the respective securities commissions in such jurisdictions.

4.7 **Public Listing**

Rockcliff's issued and outstanding Common Shares are listed for trading on the TSX Venture Exchange.

4.8 **No Cease Trade Order**

No order ceasing or suspending trading in the Common Shares nor prohibiting the sale of Common Shares is currently in effect, and to the best of Rockcliff's knowledge, no order, prohibition, or investigation that could result in such an order or prohibition is pending or threatened.

4.9 **Compliance with Applicable Laws**

Rockcliff is conducting its business, in all material respects, in compliance with all Applicable Laws including all applicable laws relating to environmental matters.

ARTICLE 5 - COVENANTS

5.1 **Reasonable Efforts**

Each Party covenants that it will use reasonable efforts to satisfy or cause the satisfaction of the conditions precedent to its obligations hereunder to the extent that same is within its control, and take all other action necessary or advisable to:

- (a) obtain all necessary consents, approvals and authorizations that are required to be obtained by it under any Applicable Laws;
- (b) obtain all necessary consents, approvals, undertakings, and authorizations that are required to be obtained by it pursuant to the Schedules attached hereto;
- (c) effect all necessary registrations, filings, and submissions of information requested by any Governmental Body or Exchange to give effect to the Agreement;
- (d) execute and deliver such instruments, agreements, and documents as may be necessary to carry out and perform all of the terms of this Agreement;
- (e) fulfil all conditions and satisfy all provisions of this Agreement; and
- (f) cooperate with the other Party in connection with the performance by it of its obligations hereunder.

5.2 **Maintenance**

Norvista hereby covenants and agrees to maintain the Talbot Option Agreement and Bucko Mill Lease in good standing, and will not permit either the Talbot Option Agreement nor the Bucko Mill Lease to lapse, nor will Norvista allow the mineral claims comprising the Talbot Project to relinquish, drop or abandon up to and until the Time of Closing. For greater certainty, Norvista will fulfill all obligations under both the Talbot Option Agreement and Bucko Mill Lease to the fullest extent necessary to maintain these agreements in good standing. For greater certainty, until the Time of

Closing, Norvista shall be responsible for any and all payments due or required under the Bucko Mill Lease.

5.3 **Talbot Option**

Norvista hereby covenants and agrees that, following the date hereof, it shall duly and validly spend a total of \$159,000 as Expenditures (as defined in the Talbot Option Agreement) to ensure that an aggregate of \$3,850,000 shall have been duly and validly spent as Expenditures prior to the fifth Anniversary Date (as defined in the Talbot Option Agreement) in accordance with the terms and conditions of the Talbot Option Agreement.

5.4 **Termination of Option Purchase Agreement**

Each Party hereby covenants and agrees that as of the Time of Closing the Option Purchase Agreement, attached hereto as Schedule "B", will be terminated and no longer have any force or effect including any royalties or other rights or interest therein granted by between Rockcliff and Norvista.

5.5 **Data Transition**

Norvista hereby covenants and agrees to deliver to Rockcliff all data relating to the Talbot Option Agreement and the Bucko Mill Lease in its control or possession (including, without limitation, all geological, geophysical and assay results and maps for the Talbot Project, and all Mill Audits (as defined under the Bucko Mill Lease), consultant reports, operational statistics, historical energy usage reports, maintenance reports, and engineering reports for the Bucko Mill Lease), whether in paper or digital form, except for any information that cannot be disclosed pursuant to any statutory or regulatory requirement or any confidentiality agreement previously entered into in good faith, as the case may be. In addition, Norvista shall deliver (i) its geological model for the Talbot Project including all feasibility studies, economic assessments, technical reports, internal memos, models and analytical work, and (ii) a draft assessment report in a format prescribed under the Mining Act.

ARTICLE 6 - SURVIVAL OF REPRESENTATIONS, WARRANTIES, AND COVENANTS

6.1 **Survival of Representations, Warranties, and Covenants**

The representations and warranties contained in this Agreement will be true at and as of the Closing Date, as though such representations and warranties were made at and as of such time. Notwithstanding any investigations or enquiries made by the other Party prior to the Closing Date or the waiver of any condition by the other Party, the representations, warranties, covenants and agreements of each party will survive the Closing Date for a period of two (2) years.

6.2 **Waiver**

A party may waive any of such representations, warranties, covenants or agreements in whole or in part at any time without prejudice to its right in respect of any other breach of the same or any other representation, warranty, covenant or agreement. To be effective any waiver must be delivered in writing to the other Party. Any such waiver will be limited to the specific circumstances for which it is given.

ARTICLE 7 - INDEMNIFICATION

7.1 Indemnification

Each Party (an “**Indemnifying Party**”) shall indemnify and save harmless the other Party (the “**Indemnified Party**”) harmless from all Losses suffered or incurred by the Indemnified Party as a result of or arising directly or indirectly out of or in connection with

- (a) any breach of or inaccuracy of any representation or warranty given by the Indemnifying Party in this Agreement or in any agreement, certificate, or other document delivered pursuant hereto; and
- (b) any breach or non-performance by the Indemnifying Party of any covenant to be performed by it which is contained in this Agreement or any agreement, certificate or other document delivered pursuant hereto,

provided, however, that no Indemnifying Party shall be required to indemnify or save harmless an Indemnified Party unless that Indemnified Party shall have provided notice to the Indemnifying Party in accordance with Section 7.2 on or before the expiration of the representation and warranty.

7.2 Notice

In the event that an Indemnified Party shall become aware of any claim, proceeding or other matter (a “**Claim**”) in respect of which the Indemnifying Party agreed to indemnify the Indemnified Party pursuant to this Agreement, the Indemnified Party shall promptly give written notice thereof to the Indemnifying Party. Such notice shall specify whether the Claim arises as a result of a claim by a person against the Indemnified Party (a “**Third Party Claim**”) or whether the Claim does not so arise (a “**Direct Claim**”), and shall also specify with reasonable particularity (to the extent that the information is available):

- (a) the factual basis for the Claim; and
- (b) the amount of the Claim, if known.

7.3 Direct Claims

With respect to any Direct Claim, following receipt of notice from the Indemnified Party of the Claim, the Indemnifying Party shall have 60 days to make such investigation as it considers necessary or desirable. The Indemnified Party shall make available to the Indemnifying Party all information upon which it relies to substantiate the Claim, together with all information the Indemnifying Party may reasonably request. If both Parties agree at or prior to the expiration of such 60-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 fully agreed-upon amount of the Claim, failing which the matter shall be referred to binding arbitration in such a manner as the parties may agree, or to a court of competent jurisdiction.

7.4 Third Party Claims

With respect to any Third Party Claim, the Indemnifying Party shall have the right to

participate in or assume control of the negotiation, settlement or defence of the Claim, and in such event, the Indemnifying Party shall reimburse the Indemnified Party for all of the Indemnified Party's out-of-pocket expenses as a result of such participation or assumption. The Indemnified Party and Indemnifying Party shall cooperate fully with each other in the defence of the Claim, and shall keep each other fully advised with respect thereto, including supplying copies of all relevant documentation promptly as it becomes available.

7.5 **Settlement of Third Party Claims**

If the Indemnifying Party fails to assume control of the defence of any Third Party Claim, the Indemnified Party shall have the exclusive right to contest, settle or pay the amount claimed. Whether or not the Indemnifying Party assumes control of the negotiation, settlement or defence of any Third Party Claim, the Indemnifying Party shall not settle any Third Party Claim without the written consent of the Indemnified Party, which consent shall not be unreasonably withheld.

7.6 **Indemnity Term**

The mutual indemnification obligation of the Parties shall remain in full force and effect and be binding upon the Parties for a period of two (2) years from the Closing Date. In the event of the absence of any Claim, as from the second anniversary of the Closing Date, each of the Parties hereby waive, release and forever discharge the other Party from all Losses existing as of the second anniversary of the Closing Date or arising thereafter, known and unknown, arising out of or in any way connected with the representations and warranties contained in this Agreement.

ARTICLE 8 - GENERAL

8.1 **Notices**

Any notice or other writing required or permitted to be given under this Agreement shall be in writing and shall be sufficiently given if delivered, or if sent by prepaid registered mail or if transmitted by facsimile or other form of recorded communication tested prior to transmission to such Party:

(a) if to Norvista

Norvista Capital Corporation
141 Adelaide Street West, Suite 1660
Toronto, Ontario M5H 3L5

Attention: Donald H. Christie
Tel: +1 (416) 504-4171

(b) if to Rockcliff:

Rockcliff Metals Corporation
141 Adelaide Street West, Suite 1660
Toronto, Ontario M5H 3L5

Attention: Ken Lapierre
Tel: +1 (647) 678-3879

or at such other address as the Party to whom such notice is to be given shall have last notified the Party giving the same in the manner provided in this Section 8.1.

Any such notice shall be deemed to have been given and received on the day on which it was delivered or transmitted (or, if such day is not a Business Day, or if such transmission or delivery is made on a Business day after 5:00 p.m. at the place of receipt, then on the next Business Day). Any such notice sent by prepaid registered mail shall be deemed to have been given and received on the fifth Business Day following the date of its mailing. Any Notice transmitted by facsimile or other form of recorded communication shall be deemed given and received on the first Business Day after its transmission.

8.2 **Further Assurances**

The Parties shall with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each Party shall provide such further documents or instruments required by the other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions.

8.3 **Confidentiality**

All information provided by each of the Parties, including any information provided prior to the date of this Agreement, in any form whatsoever, as to the financial condition, business, property, title, assets and affairs as may reasonably be requested by the other Party, including all information in this Agreement (the "**Confidential Information**"), will be kept confidential by each Party hereto, notwithstanding the termination of this Agreement, other than information that:

- (a) has become generally available to the public;
- (b) was available to a Party hereto or its representatives on a non-confidential basis before the date of this Agreement; or
- (c) has become available to a Party hereto or its representatives on a non-confidential basis from a Person who is not, to the knowledge of such Party or its representatives, otherwise bound by confidentiality obligations to the provider of such information.

No Confidential Information may be released to third parties other than legal counsel and other advisors to the Parties without the consent of the provider thereof, which shall not be unreasonably withheld to the extent that such Confidential Information is compelled to be released by legal process to any Governmental Body, Exchange, or public disclosure document.

8.4 **Counterparts and Electronic Transmission**

This Agreement may be executed and delivered: (a) in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same Agreement and binding on all of the Parties hereto, notwithstanding that all of the Parties are not signatory to the original or to the same counterpart; and (b) via (i) facsimile transmission or (ii) other electronic transmission which provides an accurate copy of this Agreement, such electronically-transmitted copies

shall be deemed an original.

8.5 **Expenses**

Each Party shall be responsible for its own expenses in connection with the transactions contemplated by this Agreement.

8.6 **Amendment**

This Agreement may not be amended or modified except by a written document executed by each of the Parties.

8.7 **Waiver**

- (a) No failure on the part of any Party to exercise, no delay in exercising, and no course of dealing with respect to, any right, power or privilege under this Agreement shall operate as a waiver thereof.
- (b) Except as otherwise expressly provided for herein, no waiver of any provision of this Agreement or consent to any departure by any Party from any provision of this Agreement shall in any event be effective unless it is confirmed in writing, and such waiver or consent shall be effective only in the specific instance, for the specific purpose and for the specific length of time for which it is given.
- (c) The single or partial exercise of any right, power or privilege under this Agreement shall not preclude any other or further exercise thereof.

8.8 **Successors and Assigns**

This Agreement will be binding upon and enure to the benefit of Rockcliff, its successors and assigns, Norvista and the successors and permitted assigns of Norvista. Nothing herein express or implied is intended to confer upon any person, other than the parties hereto and their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF this Agreement has been executed by the Parties as of the date first written above.

NORVISTA CAPITAL CORPORATION

by "Donald Christie"

Name: Donald Christie

Title: Director

ROCKCLIFF METALS CORPORATION

by "Ken Lapierre"

Name: Ken Lapierre

Title: Chief Executive Officer

SCHEDULE "A"

TALBOT OPTION AGREEMENT

[see following page]

THIS AGREEMENT made as of the 14 day of April, 2014.

BETWEEN:

HUDSON BAY EXPLORATION AND DEVELOPMENT COMPANY LIMITED, a corporation incorporated under the laws of Canada,

(hereinafter, with its affiliates, "**Hudbay**")

OF THE FIRST PART,

- and -

ROCKCLIFF RESOURCES INC., a corporation incorporated under the laws of Ontario,

(hereinafter "**Rockcliff**")

OF THE SECOND PART.

WHEREAS Hudbay is the sole recorded and beneficial owner of a one hundred percent (100%) undivided interest in the Property (as hereinafter defined);

AND WHEREAS Hudbay desires to grant to Rockcliff and Rockcliff desires to receive from Hudbay an option to acquire a fifty-one percent (51%) undivided interest in the Property, subject to the royalty and buy-back rights of Hudbay set out herein;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the terms and conditions hereinafter contained and the sum of \$1.00 now paid by Rockcliff to Hudbay (the receipt of which is hereby acknowledged) the parties hereto agree as follows:

1. DEFINITIONS

In this Agreement and in all Schedules hereto the following words and terms where capitalized shall have the following meanings unless the context clearly indicates a contrary meaning:

- (a) "**Acquired Claims**" has the meaning given to it in Section 10;
- (b) "**Agreement**" means this agreement between Hudbay and Rockcliff, including all Schedules hereto and any documents incorporated by reference and other amendments as permitted hereunder, and the expressions this "Agreement", "herein", "hereto" and other similar expressions refer to all of this agreement, including the Schedules, any documents incorporated by reference and other amendments permitted hereunder, and not to any particular Article, Section or Subsections;

- (c) **“Anniversary Date”** means an anniversary date of this Agreement;
- (d) **“Area of Interest”** means the area within two (2) kilometres from the existing boundaries of the Property as of the date of this Agreement but excluding any claims held by any other party as of the date of this Agreement;
- (e) **“Buy-Back Expenditures”** has the meaning given to it in Section 13(c);
- (f) **“Buy-Back Interest”** has the meaning given to it in Section 14(a);
- (g) **“Buy-Back Notice”** has the meaning given to it in Section 14(a);
- (h) **“Buy-Back Right”** means the right of Hudbay to acquire the Buy-Back Interest pursuant to Section 14(a);
- (i) **“Certified Statement”** has the meaning given to it in Schedule “C”.
- (j) **“Commencement of Commercial Production”** means the date upon which the Operator declares commercial production at the Property as required pursuant to International Financial Reporting Standards;
- (k) **“Environmental Laws”** means all laws, statutes, regulations, ordinances, rules, requirements, policies, guidelines, by-laws, codes, orders, permits, directives, licenses, notices and approvals of all federal, territorial, provincial, municipal or local governmental or administrative authorities related to:
 - (i) environmental or occupational or public health or safety matters;
 - (ii) the generation, handling, treatment, storage, transportation, disposal or clean-up of pollutants, contaminants, hazardous or toxic substances, dangerous goods, ozone-depleting substances or other harmful substances or materials; or
 - (iii) the reclamation, site rehabilitation, restoration, remediation, or other mine and related facilities or advanced exploration project closure requirements, including without limitation the requirements of Parts 14 and 15 of *The Mines and Minerals Act* (Manitoba), as amended from time to time, and regulations made thereunder;
- (l) **“Expenditures”** means the costs and expenses that are incurred for the purposes of determining the existence, location, quantity or grade of a mineral deposit, including all costs and expenses associated with negotiating and executing agreements with First Nations and aboriginals communities having an interest or right in respect of the Property, expenses incurred in the course of prospecting, carrying out geological or geophysical surveys, drilling and underground entry for preliminary sampling plus up to eight percent (8%) per annum of the amount of such qualifying Expenditures related to administration costs;

- (m) **“Excess Option Expenditures”** has the meaning given to it in Section 13(b)(iii);
- (n) **“Feasibility Study”** means a report prepared to analyze whether or not to proceed with mine development and exploration with respect to the Property in a form and of a scope consistent with such reports prepared by Hudbay for its Reed and Lalor mines;
- (o) **“Hudbay’s Adjusted Initial Deemed Contribution”** has the meaning described in Section 13(b)(iii);
- (p) **“Joint Venture”** means the relationship formed upon the execution of the JV Agreement;
- (q) **“JV Agreement”** means a joint venture agreement relating to the development and operation of a joint venture formed pursuant to Section 13;
- (r) **“JV Assets”** has the meaning described in Section 13(b)(i);
- (s) **“Net Sales Revenue”** shall mean the actual proceeds received from any independent custom smelter, mill, mint or other purchaser for the sale of any Product extracted and derived from the Property, after deducting all charges and penalties for smelting and refining and the cost of transportation (to the smelter and thereafter to the mint), insurance premiums, sampling and assaying charges incurred after the Product has left the Property, and all appropriate mint charges;
- (t) **“Net Smelter Return Royalty”** has the meaning described in Schedule “C” hereof;
- (u) **“Net Smelter Return Royalty Statement”** has the meaning described in Schedule “C” hereof;
- (v) **“Notice of Change of Operator”** has the meaning described in Section 13(d);
- (w) **“Operator”** means the Party responsible for carrying out, or causing to be carried out, all exploration, mining and related operations during the Option Period and once the Joint Venture is formed. Rockcliff will be the Operator during the Option Period and upon the formation of the Joint Venture. Hudbay will be the Operator on the Vesting of the Buy-Back Right.
- (x) **“Option”** means the option described in Section 3;
- (y) **“Option Exercise Date”** has the meaning described in Section 5;
- (z) **“Option Period”** means the six (6) year time period set out in Section 3;
- (aa) **“Party or Parties”** means Rockcliff or Hudbay and their successors or permitted assigns which become Parties to this Agreement;



- (bb) **"Prime"** means the prime interest rate charged by the Royal Bank of Canada at its main branch in Winnipeg from time to time;
- (cc) **"Product"** means all metals, ores, concentrates, minerals and mineral resources extracted or produced from the Property;
- (dd) **"Property"** means the mining claims more particularly described in Schedule "A" attached hereto;
- (ee) **"Quarter"** means each period of three (3) calendar months starting on a Quarterly Date but so that the first Quarter under Schedule "C" shall start on the date of the Commencement of Commercial Production and end on the date immediately preceding the second Quarterly Date to occur after the date of the Commencement of Commercial Production;
- (ff) **"Quarterly Date"** means January 1st, April 1st, June 1st and October 1st of each calendar year;
- (gg) **"Technical Committee"** means the committee established by the Parties concurrent with execution of this Agreement pursuant to Section 11;
- (hh) **"Technical Data"** means exploration data, provided by Hudbay to Rockcliff, including large-scale airborne Spectrem EM survey results, and any available type of data that follows in both hard copies and digital format: line cutting maps, drill hole locations, drill hole logs, soil-till-rock geochemical data (including drill hole assays), ground-helicopter-airborne-down hole geophysical data, satellite images and structural interpretation, maps, technical reports and resource evaluation;
- (ii) **"Vesting of the Buy-Back Right"** has the meaning given to it in Section 14(b); and
- (jj) **"Work Program"** has the meaning given to in Section 11(d).

All monies referred to in this Agreement, unless otherwise noted, are expressed in Canadian dollars.

2. REPRESENTATIONS

- (a) Hudbay represents and warrants to Rockcliff that, as of the date hereof:
 - (i) it is the sole recorded and beneficial owner of the Property and, save for any rights granted to Rockcliff, is in exclusive possession thereof;
 - (ii) it is duly incorporated and validly existing under the laws of Canada;
 - (iii) the Property is free and clear of all liens, charges, encumbrances, royalties or other third party interests of any kind whatsoever except for security granted to Hudbay's lenders pursuant to its revolving credit facility;

- (iv) to the best of its knowledge, there are no pending or threatened actions, suits, claims or proceedings affecting the Property;
- (v) except as disclosed in writing to Rockcliff, it has not entered into any agreements in respect of the Property save for any agreements entered into with Rockcliff;
- (vi) all taxes, rates and assessments owing on the Property have been paid and discharged in full;
- (vii) Hudbay is not a party to any judicial or administrative proceeding which could have an adverse effect on Rockcliff's rights under this Agreement;
- (viii) the Property, as described in this Agreement, is correct as to claim number and all of the claims comprising the Property have been validly and properly staked, tagged and recorded in accordance with applicable law;
- (ix) except as disclosed in writing to Rockcliff, there are no commitments of Hudbay to third parties relating to the Property which do or could have any direct or indirect effect on the rights granted to Rockcliff hereunder; and
- (x) to the best of Hudbay's knowledge, there have been no past material violations by it or by any of its predecessors in title of any Environmental Laws affecting or pertaining to the Property, nor any past creation of damage or threatened damage to the air, soil, surface waters, groundwater, flora, fauna, or other natural resources on, about or in the general vicinity of the Property; and Hudbay has not received inquiry from or notice of a pending investigation from any governmental agency or of any administrative or judicial proceeding concerning the violation of any such Environmental Laws.

(b) Rockcliff represents and warrants to Hudbay that, as of the date hereof:

- (i) it is duly incorporated and validly existing under the laws of Ontario;
- (ii) the execution of this Agreement and the compliance with its provisions by it do not breach or contravene any provision of its constating documents and by-laws or any of its licenses, permits, agreements or privileges pursuant to which consent is necessary or which has not been obtained;
- (iii) its directors or officers do not have any undisclosed relationship or agreement with any other group or company that may be interested in acquiring the Property; and
- (iv) it is not, to its knowledge, a party to any actual judicial or administrative procedure which is materially adverse to this Agreement.



3. **GRANT OF OPTION**

Subject to Sections 13, 14 and 15 hereof, Hudbay grants to Rockcliff an exclusive and irrevocable option (the "Option") to earn a fifty-one percent (51%) undivided interest in the Property together with all mining rights held by Hudbay appertaining thereto exercisable in the manner referred to in Section 5, at any time for a period of six (6) years commencing from the date hereof until 5:00 p.m. Winnipeg time on the sixth Anniversary Date of this Agreement or such earlier date as this Agreement is terminated in accordance with its terms (the "Option Period"), for the consideration and upon the terms and conditions hereinafter set forth.

4. **CONSIDERATION AND EXPENDITURES**

- (a) In consideration for Hudbay granting the Option to Rockcliff, Rockcliff shall earn its interest in the Property by incurring non-cumulative Expenditures in the aggregate amount of \$6,120,000 as follows:
- (i) \$200,000 prior to the first Anniversary Date;
 - (ii) \$400,000 prior to the second Anniversary Date;
 - (iii) \$700,000 prior to the third Anniversary Date;
 - (iv) \$1,050,000 prior to the fourth Anniversary Date;
 - (v) \$1,500,000 prior to the fifth Anniversary Date; and
 - (vi) \$2,270,000 prior to the sixth Anniversary Date.

Rockcliff shall have the option but not the obligation to make further Expenditures on the Property during the Option Period at its discretion.

- (b) Rockcliff shall provide a detailed, annual report of Expenditures incurred pursuant to Subsection (a) above within ninety (90) days following the end of each Anniversary Date hereof and such evidence shall be deemed satisfactory if it is not disputed by Hudbay within sixty (60) days of receipt of such evidence. If Hudbay disagrees with any Expenditure or Expenditures incurred by Rockcliff, the parties shall have fourteen (14) days to try to resolve the dispute. If Hudbay and Rockcliff are able to resolve the dispute and there is a shortfall in the amount of Expenditures incurred by Rockcliff in a particular twelve (12) month period, Rockcliff shall have ninety (90) days following the fourteen (14) day period referenced above to remedy such shortfall. If Hudbay and Rockcliff are unable to resolve the dispute, the matter shall be decided by arbitration pursuant to Section 17. Following a decision pursuant to arbitration under Section 17, if there is a shortfall in the amount of Expenditures incurred by Rockcliff in that particular twelve (12) month period, Rockcliff shall have ninety (90) days from the date of such decision to remedy such shortfall.

- (c) Rockcliff shall have the right to accelerate the Expenditure obligations set out herein in order to acquire its interest in the Property in a shorter period of time than as set out herein.

5. EXERCISE OF OPTION

Upon Rockcliff incurring the Expenditures on or before the applicable dates as required by Section 4, Rockcliff may exercise the Option by written notice thereof before the sixth Anniversary Date to Hudbay and upon so doing, Rockcliff shall have purchased, and Hudbay shall have sold, on the date the notice is received by Hudbay (the "**Option Exercise Date**"), a fifty-one percent (51%) undivided interest in the Property and Hudbay's right, title and interest therein, subject to the provisions of Sections 13, 14 and 15 and Hudbay's Buy-Back Right. On the Option Exercise Date the Parties shall form a Joint Venture in accordance with the provisions of Section 13.

6. TRANSFER OF TITLE

- (a) Upon exercise of the Option by Rockcliff, Hudbay shall forthwith deliver to Rockcliff documents relating to the Property which, upon recording thereof, will be sufficient to register Rockcliff as the sole recorded holder of a fifty-one percent (51%) undivided interest in the Property free of all liens, encumbrances, charges and claims of any nature or kind whatsoever, subject to the terms of Sections 13, 14 and 15. Hudbay shall execute and deliver to Rockcliff all other documents, and shall do or cause to be made all such further actions in order to properly register such documents.
- (b) Upon the receipt of the documents described in this Section, Rockcliff shall forthwith record them at its own cost with the appropriate government office to effect the transfer of a fifty-one percent (51%) undivided interest in the Property to Rockcliff, provided that Rockcliff shall hold the Property subject to the terms of this Agreement and Rockcliff shall record Hudbay's interest hereunder with the appropriate government office and shall provide Hudbay with verification thereof forthwith following such recording.

7. TERMINATION OF OPTION

- (a) Rockcliff may terminate the Option at any time by giving Hudbay written notice thereof.
- (b) Subject to earlier termination pursuant to Subsection (a), the Option shall automatically terminate if Rockcliff does not incur Expenditures in the amounts and within the time periods set out in Section 4 hereof.
- (c) Subject to earlier termination pursuant to Subsections (a) or (b) hereof, the Option shall automatically terminate at 5:00 p.m. Winnipeg time on the sixth Anniversary Date of this Agreement unless Rockcliff has incurred the Expenditures required by Section 4 hereof, and provided written notice has been given to Hudbay in accordance with Section 5 hereof.

- (d) Upon termination in accordance with Subsections (a), (b) or (c) hereof, Rockcliff shall not suffer or incur any cost, penalty, damage, claim or expense of any kind whatsoever or have any further liabilities or unreleased obligations of any kind whatsoever hereunder, except that:
- (i) the obligations set out in Sections 9(a)(vi), (vii) and (ix) hereunder shall survive termination of this Agreement;
 - (ii) Rockcliff shall continue to be liable for any cost, penalty, damage, claim, expense or liability arising from any Environmental Laws while it was the Operator in respect of the work performed by it prior to the termination of the Option; and
 - (iii) Rockcliff shall ensure that the Property shall remain in good standing for obtaining assessment credits, as set out in the *Mineral Disposition and Mineral Lease Regulation, 1992* made under *The Mines and Minerals Act (Manitoba)*, as amended from time to time, for a period of one (1) year after such termination.
- (e) Upon the termination of this Agreement, Rockcliff shall:
- (i) within sixty (60) days of the date of termination, deliver or cause to be delivered to Hudbay all Technical Data in its possession relating to the Property; and
 - (ii) have the right for thirty (30) days beyond the date of such termination to enter on, in or under that part of the Property, to remove therefrom such equipment, tools, materials, structures, apparatus or supplies brought thereon by Rockcliff or on its behalf, and to the extent that Rockcliff does not remove them they shall become the property of Hudbay.

8. COVENANTS OF HUSBAY

During the term of this Agreement, Hudbay shall:

- (a) not act or fail to do any act which it is required to do under this Agreement or otherwise which would result in a fifty-one percent (51%) undivided interest in the Property not being transferred to Rockcliff pursuant to Section 5 free and clear of all liens, charges, encumbrances or liabilities, including those pursuant to applicable Environmental Laws, of any kind whatsoever;
- (b) promptly transmit to Rockcliff any notices pertaining to taxes, assessments and other charges received by Hudbay relating to the Property; and
- (c) not make any agreement whereby any third party may acquire any portion of Hudbay's interest in the Property otherwise than in accordance with this Agreement.

9. **COVENANTS OF ROCKCLIFF**

- (a) During the term of this Agreement, Rockcliff shall:
- (i) maintain the Property in good standing by the payment of taxes, assessments and rentals, submit assessment work with respect to the Expenditures set out in Section 4 hereof according to applicable laws and regulations and perform all other actions which may be reasonably necessary in that regard;
 - (ii) obtain the prior written consent of Hudbay before permitting any mining claims relating to the Property to lapse;
 - (iii) permit Hudbay and its authorized representatives, at their own risk, with five (5) days prior written notice to Rockcliff, access to the Property at all reasonable times, provided that Hudbay agrees to indemnify Rockcliff against and to save it harmless from all costs, claims, liabilities and expenses that Rockcliff may incur or suffer as a result of any property or other damage or injury (including injury causing death) to Hudbay or its authorized representatives while on the Property, except for any costs, claims, liabilities and expenses incurred as a result of any negligent act or omission of Rockcliff or Rockcliff's employees and agents;
 - (iv) permit Hudbay, at its sole discretion, with thirty (30) days prior written notice of any management review, to participate in the management review of the exploration programs relating to the Property, however, the final decision with respect to any exploration program shall remain at the sole discretion of Rockcliff;
 - (v) do all work on the Property in accordance with the highest industry standards for exploration, engineering and mining practices in accordance with all applicable laws, regulations, orders and ordinances of any governmental authority;
 - (vi) comply with all Environmental Laws including without limitation any obligations that Rockcliff may have incurred pursuant to Parts 14 and 15 of *The Mines and Minerals Act* (Manitoba), as amended from time to time, or any environmental license, approval or permit;
 - (vii) indemnify and save Hudbay harmless in respect of any and all costs claims, liabilities and expenses that Hudbay may incur or suffer, including those pursuant to the Environmental Laws, arising out of any act or omission of Rockcliff and, without limiting the generality of the foregoing shall carry third party liability insurance of not less than \$5,000,000 in respect of its operations on the Property for the benefit of Rockcliff and Hudbay as their interests may appear;

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- (viii) not make any agreement whereby any third party may acquire any portion of its interest in the Property or under this Agreement otherwise than in accordance with the provisions of this Agreement; and
 - (ix) not act or fail to do any act which it is required to do under this Agreement or otherwise which would result in the Property or any part thereof, not being free and clear of all liens, charges, encumbrances, obligations or liabilities, including those pursuant to applicable Environmental Laws.
- (b) The Operator shall carry out all work on the Property in accordance with the highest industry standards for exploration, engineering and mining practices and shall do all work on the Property in a careful and workmanlike manner and shall comply with all applicable laws and regulations of the province of Manitoba and the laws of Canada and, in particular, without limiting the generality of the foregoing, shall fulfil its obligations hereunder within the time periods required by law to maintain the Property in good standing and shall pay all taxes in connection therewith.

10. AREA OF INTEREST

During the term of this Agreement, Hudbay and Rockcliff shall both be entitled to stake claims or otherwise acquire property within the Area of Interest. If either of Rockcliff or Hudbay acquires, directly or indirectly, any interest in any claims (including by way of staking, option or joint venture) ("Acquired Claims") within the Area of Interest, any such claims shall be included in the definition of "Property", subject to any previous retained interest agreements in such claims and subject to the provisions set out below. The cost (including by way of staking, option or joint venture) thereof will be paid by Rockcliff in respect of any Acquired Claims acquired by Rockcliff. Rockcliff shall have the option to include any Acquired Claims acquired by Hudbay in the definition of "Property" by reimbursing Hudbay for such Acquired Claims within thirty (30) days of receipt of written notice of the acquisition by Hudbay, failing which Hudbay shall be free to deal with the Acquired Claims at its sole discretion. The costs of such Acquired Claims shall be deemed to be Expenditures.

11. TECHNICAL COMMITTEE

- (a) Immediately after the execution of this Agreement and until a Joint Venture has been formed, the Parties shall form a Technical Committee, which committee shall meet at least annually to review exploration activities.
- (b) Hudbay and Rockcliff shall each appoint two (2) representatives which collectively shall comprise the Technical Committee.
- (c) All decisions by the Technical Committee shall be made by majority vote and each representative shall be entitled to one vote. In the case of a tie vote on any matter, the Operator shall have a casting vote.

- (d) The Operator shall prepare a work program (“**Work Program**”) and submit such Work Program together with a budget to the Technical Committee for approval at least once per year on or before **October 31st** of each year for the following calendar year. The Technical Committee must approve each Work Program prior to implementation. Within thirty (30) days of receiving a Work Program from the Operator, the Technical Committee shall meet to review, approve, amend or agree to an alternate Work Program. Each Work Program shall cover a period of up to twelve (12) months or such other period as the Parties may agree. Each Work Program must contain:
 - (i) a reasonably detailed outline of all exploration and development which the Operator contemplates carrying out on the Property and detailing the areas on the Property to be subject to exploration and development and the timeframe for each of the major elements of the exploration and development; and
 - (ii) a reasonably itemized budget, broken down by month, of the projected expenditures under the Work Program.
- (e) The Operator shall provide technical reports of progress to the Technical Committee on a semi-annual basis and provide a detailed report of all activities on the Property including a detailed, annual report of Expenditures, as required under Section 4(b) hereof, by March 31 of the following year.

12. **RIGHT TO ENTER IN, UNDER OR ON THE PROPERTY**

- (a) Rockcliff, its employees, agents and independent contractors shall have the exclusive right from the date hereof:
 - (i) to enter in, under or on the Property;
 - (ii) to bring upon the Property such vehicles, equipment, portable structures and other apparatus as Rockcliff shall in its sole discretion deem advisable;
 - (iii) to do such work and conduct and manage such programs on or under the Property as Rockcliff shall in its sole discretion from time to time deem advisable;
 - (iv) to remove from the Property such materials for analysis and testing as Rockcliff shall in its sole discretion deem advisable; and
 - (v) to have quiet and exclusive possession of the Property.
- (b) Rockcliff shall keep full and complete records of all of its exploration work, diamond drilling and development of the Property, together with the results of assays made and, all of such records shall, at a minimum advance notice of thirty (30) days, be available for inspection by Hudbay or its agent who may make

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copies thereof and take extracts therefrom at Hudbay's sole cost. If the Option is terminated or otherwise not exercised by Rockcliff, Rockcliff shall, on written request by Hudbay, deliver to Hudbay a copy of any part or all of such records.

13. FORMATION OF THE JOINT VENTURE

- (a) On the Option Exercise Date, a joint venture (the "Joint Venture") shall be formed between Hudbay (or its affiliate Hudson Bay Mining and Smelting Co., Limited) and Rockcliff with Rockcliff initially having a fifty-one percent (51%) undivided participating interest in the Property and Hudbay initially having a forty-nine percent (49%) undivided participating interest in the Property and Rockcliff shall be deemed to have incurred Expenditures equal to fifty-one percent (51%) and Hudbay shall be deemed to have incurred Expenditures equal to forty-nine percent (49%) of the total Expenditures incurred by the Parties on the Property to the date of formation of the Joint Venture as set out in Section 13(b) below and each Party shall be responsible for its proportionate share of the expenses of the Joint Venture. Hudbay and Rockcliff shall forthwith enter into a joint venture agreement (the "JV Agreement") on the terms and conditions usual in the mining industry for the purpose of further exploring, developing and exploiting the Property including, *inter alia*, those general terms and conditions set out in Schedule "B". The JV Agreement shall include the provisions of Sections 13, 14 and 15 hereof. The Parties shall agree on the form and content of the JV Agreement within ninety (90) days following the Option Exercise Date. If the form of JV Agreement has not been settled by then, the Parties may proceed to arbitration in accordance with Section 17 of this Agreement to settle the terms of the JV Agreement and all provisions of this Agreement shall be extended until the terms of the JV Agreement have been settled.
- (b) (i) Hudbay shall contribute to the Joint Venture the Technical Data and its rights, titles, and interests to a fifty-one percent (51%) undivided interest in the Property, free and clear of all encumbrances, and title shall be held in the name of the Operator. Rockcliff shall contribute to the Joint Venture all data, reports, studies, surveys, and analysis in connection with the Property pursuant to the Expenditures made by Rockcliff until the date of execution of the JV Agreement, as well as all equipment, buildings, and assets acquired, constructed and/or developed by Rockcliff during the Option Period (the "JV Assets").
- (ii) As of the date of formation of the Joint Venture, the Parties shall hold as tenants in common all of the JV Assets and each Party's initial contribution shall be deemed to be as set forth below, notwithstanding any amounts spent by each Participant in acquiring its right, title and interest in and to the JV Assets.

Rockcliff's initial contribution

\$6,120,000

Hudbay's initial deemed contribution \$5,880,000

- (iii) Immediately upon the execution of the JV Agreement, each Party shall have the initial participating interest in the Joint Venture set out below opposite its name:

Rockcliff's initial participation interest 51%

Hudbay's initial participation interest 49%

- (c) If Hudbay exercises the Buy-Back Right, upon Vesting of the Buy-Back Right, the contributions of the Parties to the Joint Venture shall be determined and adjusted as follows:

Buy-Back Right

Rockcliff's adjusted contribution Note 1

Hudbay's adjusted contribution Note 2

The participating interest in the Joint Venture of each Party shall be determined and adjusted as follows:

Buy-Back Right

Rockcliff's adjusted participation interest 49%

Hudbay's adjusted participation interest 51%

Note 1 – Rockcliff's deemed contribution shall be forty-nine percent (49%) of:

- (A) the contributions and deemed contributions determined under Section 13(b)(ii); plus
- (B) all Expenditures made by the Joint Venture from the formation of the Joint Venture,

(A and B are collectively referred to as the "Buy-Back Expenditures").

Note 2 – Hudbay's deemed contribution shall be calculated as fifty-one percent (51%) of the Buy-Back Expenditures.

- (d) The Parties hereby agree that Rockcliff shall initially be the operator of the Joint Venture (the "Operator"). Rockcliff shall be entitled to be the Operator for so long as it maintains a participating interest in the Joint Venture equal to or greater than that of Hudbay. If, at any time, the participating interest of the Operator should cease to be equal to or greater than the participating interest of Hudbay,

Hudbay, by notice in writing to the Operator ("Notice of Change of Operator"), shall be entitled to become the Operator. If a Notice of Change of Operator is given, the recipient shall turn over all documents and records and assign the rights under all contracts and otherwise co-operate and take all proper actions reasonably necessary to allow the successor Operator to assume its duties and responsibilities under the JV Agreement.

14. **BUY-BACK RIGHT** - see B-2 (65%/35%)

- (a) At any time within two (2) years from the Option Exercise Date, provided Hudbay has contributed its forty-nine percent (49%) pro rata share of Expenditures made on the Property after the formation of the Joint Venture, Hudbay may, by written notice (the "Buy-Back Notice") delivered to Rockcliff, notify Rockcliff of its intention to exercise its right to increase its interest in the Joint Venture and the Property to fifty-one percent (51%) by acquiring a further two percent (2%) undivided interest (the "Buy-Back Interest") in the Property (the "Buy-Back Right") and thereafter, Hudbay may exercise the Buy-Back Right and acquire the Buy-Back Interest by making a one-time cash payment to Rockcliff of \$240,000 and by incurring additional Expenditures on the Property during the two (2) year period following issuance of the Buy-Back Notice in an amount no less than the amount of Expenditures incurred by Rockcliff on the Property after formation of the Joint Venture and before issuance of a Buy-Back Notice that are in excess of the amount Rockcliff is otherwise required to incur hereunder. Alternatively, Hudbay may pay such amount to Rockcliff in cash in lieu of incurring such additional Expenditures by the end of such two (2) year period.
- (b) If Hudbay exercises its Buy-Back Right by giving notice to Rockcliff pursuant to Section 14(a) hereof, the Buy-Back Right shall vest in Hudbay when all of the requirements set out in Section 14(a) hereof have been satisfied by Hudbay (the "Vesting of the Buy-Back Right"). Upon the Vesting of the Buy-Back Right, the parties' relative interests in the Joint Venture shall be adjusted to reflect a fifty-one percent (51%) interest for Hudbay and a forty-nine percent (49%) interest for Rockcliff in the Property, and Hudbay shall be deemed to have incurred Expenditures equal to fifty-one percent (51%) and Rockcliff shall be deemed to have incurred Expenditures equal to forty-nine percent (49%) of the total Expenditures incurred by Hudbay and Rockcliff on the Property in accordance with the provisions of Section 13 and Hudbay shall be Operator.

15. **CONVERSION OF INTERESTS IN JOINT VENTURE**

- (a) If either party's interest in the Joint Venture is diluted to ten percent (10%) or less, such interest shall convert to a two and one-half percent (2.5%) Net Smelter Return Royalty payable from the date of Commencement of Commercial Production calculated and paid in accordance with the terms of the royalty attached as Schedule "C" and the Joint Venture shall terminate.

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(b) To the extent permitted by the applicable law, the Net Smelter Return Royalty shall run with, attach to, and bind the land underlying the Property. Upon becoming entitled to the Net Smelter Return Royalty, nothing contained in this Agreement shall be construed as conferring on the receiving party any right to or interest in the Property, except the right to receive the Net Smelter Return Royalty as and when due.

(c) Any decision regarding the Commencement of Commercial Production shall be at the sole discretion of the Operator, and the Operator shall be under no obligation, and nothing in this Agreement shall be construed as creating an obligation upon the Operator, to place the Property into production and, if the Property is placed into production and operated as a mine, the Operator shall have the unfettered right to suspend or curtail any such operation as it in its sole discretion may determine.

16. **MILLING OF PRODUCT DERIVED FROM PROPERTY** *includes "ore"*

Following a determination by the Operator to develop a mine on the Property and prior to Commencement of Commercial Production, the parties shall enter into an agreement by which Hudbay shall agree to purchase Rockcliff's share of Product produced by the joint venture on arms' length terms, with Rockcliff to pay a proportional share of Hudbay's cost of processing and overhead properly allocated to the development of the Property as determined under International Financial Reporting Standards plus a reasonable margin, plus third party costs including freight, penalties and treatment and refining charges.

17. **ARBITRATION**

In the event of any dispute between Hudbay and Rockcliff with respect to this Agreement or any matter governed by this Agreement which Hudbay and Rockcliff are unable to resolve, the matter shall be decided by arbitration. The party desiring arbitration shall nominate one arbitrator and shall notify the other party of such nomination and the other party shall within thirty (30) days after receiving such notice nominate one arbitrator, and the two arbitrators shall select an umpire to act jointly with them. If the said arbitrators shall be unable to agree upon the selection of such umpire, the umpire shall be designated by any Justice of the Court of Queen's Bench of Manitoba. If the party receiving the notice of nomination of an arbitrator by the party desiring arbitration fails within the said thirty (30) days to nominate an arbitrator, then the arbitrator nominated by the party desiring arbitration may proceed alone to determine the dispute. Any decision reached pursuant to this Section 17 shall be final and binding upon the parties. Insofar as they do not conflict with the provisions hereof, the provisions of *The Arbitration Act* (Manitoba) as amended from time to time shall be applicable.

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18. **CONFIDENTIALITY**

All information, data and results relating to or derived from the Property and operations thereon that either Rockcliff or Hudbay may receive or become aware of through the provisions of this Agreement, shall be kept confidential and shall not be disclosed or used

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in any manner by Rockcliff or Hudbay except as such disclosure may otherwise be required by law, or required to enforce any provision hereof, or as may be mutually agreed in writing by the parties. Hudbay shall review all news releases prior to release by Rockcliff.

19. REGULATORY APPROVAL

This Agreement shall be conditional upon Rockcliff obtaining all regulatory approvals it requires, including the approval of the TSX Venture Exchange and applicable securities regulatory bodies.

20. NOTICE

- (a) Any notice, document, cheque or thing required or permitted to be given or delivered hereunder shall be deemed to be properly given or delivered if:
- (i) delivered in person and left with any person who must be an employee of the party receiving such notice at the relevant address set forth below; or
 - (ii) sent in a prepaid registered letter deposited in a post office; or
 - (iii) sent by courier; or
 - (iv) sent by facsimile,

and if to Hudbay, addressed to,

Hudson Bay Exploration and Development Company Limited
c/o HudBay Minerals Inc.
Suite 800, 25 York St.
Toronto, Ontario
M5J2V5
Attention: Vice President, Legal and Corporate Secretary
Facsimile: 416.362.9967

and if to Rockcliff, addressed to:

Rockcliff Resources Inc.
141 Adelaide Street West, Suite 520
Toronto, Ontario M5H 3L5
Attention: President
Facsimile No. 416-644-1758

Any notice or delivery so given shall be deemed to have been given and received on actual receipt of the letter, facsimile received or on the day of delivery in person as the case may be (provided that such day is a business day and, if it is not, on the following business day).

- (b) Any party may from time to time by notice in writing delivered in accordance with the provisions of Section 20(a) herein change its address for the purposes of this Section 20.

21. AGREEMENT OPTION ONLY

Subject to Section 13 hereof, this Agreement is an option only and shall not be construed to create a partnership or the relationship of principal and agent or any other similar relationship between Hudbay and Rockcliff.

22. TIME OF ESSENCE

Time shall be of the essence hereof.

23. FORCE MAJEURE

The time or times within which payments may or shall be made hereunder and all other time limitations hereunder shall be extended for a period of time equal to the total of all periods of time during which Rockcliff is prevented from or seriously impeded in doing any prospecting, exploration, development and/or other mining work in, on or under the Property by reason of fires, power shortages, strikes, walk-outs, inability to obtain suitable machinery, labour or supplies, wars, riots, acts of God or the Queen's enemies, actions by aboriginal peoples or environmentalists, interference by civil or military authorities, litigation, governmental regulations or any other cause or causes (whether or not of the same class or kind as those enumerated above) beyond the reasonable control of Rockcliff. Rockcliff shall provide to Hudbay notice of the beginning of the period of the force majeure and the end of the period of force majeure in accordance with the terms of Section 20 hereof.

24. ENTIRE AGREEMENT

This Agreement supersedes all prior negotiations and agreements and contains the entire understanding between the parties hereto and may be modified only by instrument in writing signed by the party or parties against which the modification is asserted.

25. INDEMNITY

Hudbay and Rockcliff agree to indemnify and save the other harmless from all claims, charges, suits, liens, costs, damages, penalties, or other liabilities of any kind whatsoever suffered or incurred by a third party and which arise out of or are incidental to a breach of any warranty, covenant, representation, term, or condition of this Agreement.

26. FURTHER ASSURANCES

Rockcliff and Hudbay agree that either before or after the termination of this Agreement they will execute all documents and do all acts and things as the other party may reasonably request and as may be lawful and within their power to do to carry out the intent of this Agreement.

27. ASSIGNMENT

Hudbay may, at its sole discretion, transfer, assign, or convey its rights and obligations in this Agreement to HBMS or any other affiliate of Hudbay. Otherwise, this Agreement and the rights and obligations of either party hereto shall only be transferred, assigned or conveyed with the prior written consent of the other party, such consent not to be unreasonably withheld, and provided the transferee or assignee agrees to be bound by this Agreement.

28. JURISDICTION

This Agreement shall be governed by the laws of the Province of Manitoba and the parties hereto submit to such jurisdiction.

29. HEADINGS

The headings herein are inserted for convenience of reference only and shall not be used in interpreting or construing this Agreement.

30. ENUREMENT

This Agreement shall enure to and be binding upon the parties hereto and their respective successors and assigns.

31. SURVIVAL

The parties hereto agree that all covenants, representations, warranties, terms and conditions contained in this Agreement shall not merge on closing or upon the delivery of any documents contemplated herein, but shall, in respect of the Property, survive thereafter for a period of the earlier of two (2) years from the date that the Option is terminated under Section 7 hereof or the execution of the JV Agreement.

[remainder of page intentionally left blank]

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32. COUNTERPARTS

This Agreement may be executed and delivered in two (2) or more counterparts by original or facsimile or electronic signature, each of which so executed shall be deemed to be an original and all such counterparts together shall be deemed to constitute one and the same document.

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

HUDSON BAY EXPLORATION AND DEVELOPMENT COMPANY LIMITED

Per: *Brad Canty*
Name: BRAD CANTY
Title: V.P. MANITOBA - BAS. UNIT.

Per: _____
Name:
Title:

ROCKCLIFF RESOURCES INC.

Per: *Ren Lapierre*
Name: REN LAPIERRE
Title: President & CEO

Per: _____
Name:
Title:

Handwritten initials

SCHEDULE "A"

PROPERTY - TALBOT

Name	Number	Expires
HAR 2536	MB2536	May 5, 2015
HAR 2537	MB2537	May 5, 2015
HAR 2569	MB2569	May 28, 2015
HAR 2570	MB2570	May 28, 2015
HAR 2571	MB2571	May 28, 2015
HAR 2572	MB2572	May 28, 2015
HAR 2523	MB2523	Mar. 25, 2015
HAR 2524	MB2524	Mar. 25, 2015
HAR 2525	MB2525	Mar. 25, 2015
HAR 2526	MB2526	Mar. 25, 2015
HAR 2527	MB2527	Mar. 25, 2015
HAR 2246	MB2246	Apr. 8, 2015
HAR 2247	MB2247	Apr. 8, 2015
HAR 2248	MB2248	Apr. 8, 2015
HAR 2249	MB2249	Apr. 8, 2015
HAR 2560	MB2560	July 10, 2015
HAR 2245	MB2245	Apr. 8, 2017
HAR 2533	MB2533	May 5, 2017
HAR 2534	MB2534	May 5, 2017
HAR 2535	MB2535	May 5, 2017
HAR 2538	MB2538	May 5, 2017

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SCHEDULE "B"**JOINT VENTURE TERMS**

If a Joint Venture is formed pursuant to Section 13, Rockcliff and Hubbay agree that Rockcliff shall be the Operator of the Joint Venture, subject to the provisions of Section 14, and the following terms, *inter alia*, shall apply to the Joint Venture.

(Buy Back)

Technical Committee

A Technical Committee made up of a total of four members, two members being appointed by Rockcliff and two members appointed by Hubbay will be established forthwith for the Property. The Technical Committee shall be responsible for approving future work plans and budgets. For the purpose of approving work proposals and budgets, the Party having the majority interest will have a casting vote in the event of a tie.

Participation and Contribution

The Operator shall annually prepare a work program and submit the work program, together with a budget, to the Technical Committee by September 7th of each anniversary date of the formation of the Joint Venture. After receipt of a work program from the Operator, the Technical Committee shall meet to review, approve amend or agree to an alternate work program by October 1st of such year. Each work program must contain:

- a. a reasonably detailed outline of all exploration and development which the Operator contemplates carrying out on the Property and detailing the areas on the Property to be subject to exploration and development and the timeframe for each of the major elements of the exploration and development;
- b. reasonably itemized budget, broken down by month, of the projected expenditures under the work program; and
- c. the estimated amount and date of each payment, if any, that the non-operating joint venturer would have to make to the Operator.

If a work program and budget is not submitted by the Operator within the time period set out above, then the non-operating joint venturer may prepare and submit a work program and budget to the Technical Committee by October 31st of such year. The Operator shall have thirty (30) days to decide whether or not to participate in the work program proposed by the non-operating joint venturer. If the Operator chooses not to participate and operate the work program, then the non-operating joint venturer shall become the Operator. If either party chooses not to participate in a proposed program, then its share in the Joint Venture will be reduced proportionally to the amounts expended by each party since the date of formation of the Joint Venture subject to the provisions of Section 15.

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Quarterly Report

The Operator shall deliver a report of work completed within fifteen (15) days following the end of each Quarterly Period.

Change to Property

Mining claims subject to the Joint Venture may be added, whether through staking, acquisition or other similar transaction, abandoned or otherwise disposed of with the consent of both joint venturers.

Property Development

The Operator ^{" "} may initiate mining development on the Property if a positive Feasibility Study has been completed.

(similar to FS for Reed-Haley defined terms)

Once mining development on the Property has been commenced, then:

65
51
147 x 12M
= \$1,656,000

- (a) if the majority joint venturer has less than a sixty-five percent (65%) interest in the Joint Venture, such party's interest shall be increased to sixty-five percent (65%) and such party shall pay to the other joint venturer an amount equal to the difference in percentage between such party's actual interest in the Joint Venture and sixty-five percent (65%) multiplied by the sum of \$12,000,000 and the total joint venture Expenditures to date;
- (b) the majority joint venturer shall fund the entire cost of mining development;
- (c) the minority joint venturer's portion of the cost of mining development shall be reimbursed to the majority joint venturer out of the minority joint venturer's share of the profits of Joint Venture operations at a rate of one hundred percent (100%) of the minority joint venturer's share of the net annual profits from operations until the amount is paid in full; and
- (d) once the costs of mining development have been reimbursed to the majority joint venturer, the joint venturers shall be reimbursed their respective exploration costs, pro rata, to the date that mining development commences prior to the distribution of the net annual profits pro rata to the joint venturers.

$\frac{\$1,656,000}{65} + \downarrow \downarrow =$

SCHEDULE "C"

NET SMELTER RETURN ROYALTY

1. Net Smelter Return Royalty
 - (a) There shall accrue for each Quarter following the date of the Commencement of Commercial Production an amount in dollars equal to two and one-half percent (2.5%) of the Net Sales Revenue. Each sum so accrued shall be payable by Rockcliff to Hudbay in accordance with the provisions of paragraph 2 below.
 - (b) Rockcliff shall, as soon as practicable after the end of each Quarter following the date of Commencement of Commercial Production and in any event within thirty (30) business days, determine the Net Smelter Return Royalty for the previous Quarter in accordance with this Section 1(a) and shall deliver to Hudbay promptly thereafter a statement (the "Net Smelter Return Royalty Statement") showing such Net Smelter Return Royalty and setting out in detail its calculations of such Net Smelter Return Royalty.
 - (c) If the amount of Net Smelter Returns is not ascertainable for a calendar quarter, it shall be estimated as nearly as possible at the time for payment and an adjustment shall be made at the end of each calendar year. Within ninety (90) days following the end of each calendar year, commencing with the year in which the date of the Commencement of Commercial Production falls, Rockcliff shall deliver a statement of the Net Smelter Returns for the year duly certified as correct by an independent Chartered Accountant appointed by Rockcliff for such purposes (the "Certified Statement"). Hudbay shall have the right within a period of three (3) months from receipt of such certified statement to conduct an independent audit at its own cost and expense, the right to review Rockcliff's books and records relating thereto and an opportunity to discuss issues raised with the independent chartered Accountant. Rockcliff shall immediately pay to Hudbay any additional Net Smelter Return Royalty found by such independent audit to be payable in respect of the previous calendar year. In the event such audit indicates that Rockcliff's statements were more than five percent (5%) different than that assessed by the independent audit, then the cost of such independent audit shall be borne by Rockcliff. Any Certified Statement not disputed by Hudbay within the time provided herein shall be deemed to have been accepted by Hudbay.
 - (d) If any portion of the Product extracted and derived from the Property are sold to a purchaser owned or controlled by Rockcliff or treated by a smelter owned or controlled by Rockcliff, the actual proceeds received shall be deemed to be an amount equal to what could be obtained from a purchaser or a smelter not so owned or controlled in respect of Product of like quality and quantity after deducting therefrom a charge equal to the transportation cost which would have been incurred had the material been sold to such third party purchaser or smelter.

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2. Payment

- (a) Each sum which shall accrue pursuant to Section 1(a) above shall be payable by Rockcliff to Hudbay in full upon Rockcliff's delivery of the Net Smelter Return Royalty Statement or as soon as possible thereafter and, in any event, within forty (40) business days of the end of the Quarter to which such sum relates. All payments of the Net Smelter Return Royalty to Hudbay shall be deemed final and in full satisfaction of all obligations of Rockcliff in respect thereof if such payments or the calculation thereof are not disputed by Hudbay in accordance with Section 2(c) hereof within fourteen (14) days after receipt of payment.
- (b) All payments to be made by Rockcliff under this Schedule shall be made in Canadian dollars in same day funds to such account at such bank or office as Hudbay shall designate by not less than two (2) business days' notice to Rockcliff.
- (c) Rockcliff shall, if requested to do so by Hudbay, produce to Hudbay the underlying evidence supporting each of the Net Smelter Return Royalty Statements delivered with a view to Hudbay verifying each such statement within three (3) months from receipt of any such Net Smelter Return Royalty Statement. If Hudbay disagrees with any Net Smelter Return Royalty Statement, the parties shall have fourteen (14) days from the date of receipt of the Net Smelter Return Royalty Statement to try to resolve the dispute. If Hudbay and Rockcliff are able to resolve the dispute and there are additional payments of Net Smelter Return Royalty owing to Hudbay, Rockcliff shall have ninety (90) days following the fourteen (14) day period referenced herein to pay such amount owing to Hudbay. If Hudbay and Rockcliff are unable to resolve the dispute, the matter shall be decided by arbitration pursuant to Section 17 of the Agreement. Following a decision pursuant to arbitration under Section 17 of the Agreement, if additional payments of Net Smelter Return Royalty are owing to Hudbay, Rockcliff shall have ninety (90) days from the date of such decision to pay such amount owing to Hudbay. Any Net Smelter Return Royalty Statement not disputed by Hudbay within the time provided herein shall be deemed to have been accepted by Hudbay.
- (d) Each payment by Rockcliff under this Schedule shall be made (except to the extent required by law) without set-off or counterclaim and free and clear of and without deduction or withholding for or on account of any taxes unless Rockcliff is required by law to make such payment subject to the deduction or withholding of any taxes in which case the sum payable by Rockcliff in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, Hudbay receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.

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SCHEDULE "B"

OPTION PURCHASE AGREEMENT BETWEEN ROCKCLIFF AND NORVISTA DATED MAY 3, 2018

[see following page]

PURCHASE AGREEMENT

THIS AGREEMENT made as of the 3rd day of May, 2018 (the “**Effective Date**”).

BETWEEN:

NORVISTA CAPITAL CORPORATION

(hereinafter called “**Norvista**”)

OF THE FIRST PART

AND:

ROCKCLIFF METALS CORPORATION

(hereinafter called “**Rockcliff**”)

OF THE SECOND PART

WHEREAS Rockcliff and Hudson Bay Exploration and Development Company Limited, now known as Hudbay Minerals Inc., (“**Hudbay**”) entered into the Talbot Option Agreement dated April 14, 2014 (the “**Talbot Option Agreement**”), providing Rockcliff with the option (the “**Option**”) to earn a 51% interest in the Property as defined therein (the “**Talbot Project**”), a copy of which is attached as Schedule “A” hereto;

AND WHEREAS Norvista proposes to purchase and Rockcliff proposes to sell the Option pursuant to the assignment and sale herein of the Talbot Option Agreement with and subject to the consent of Hudbay pursuant to the terms of this Agreement;

AND WHEREAS Norvista has a strategic investment in the Tower Project (as defined herein); and

WITNESSETH that in consideration of the covenants, agreements, warranties herein set forth and for other good and valuable consideration, the parties hereto respectively covenant and agree as follows:

Capitalized Terms

1. Capitalized terms set out in this Agreement shall have the meaning as specified in Schedule “B” hereto.

Conditions Precedent

2. In this Agreement certain conditions precedent are applicable in accordance with the terms hereof and shall consist of the following (the “**Conditions Precedent**”):
 - (a) receipt of the executed consent of Hudbay in the form attached hereto as Schedule “C”; and
 - (b) receipt of any necessary regulatory approvals.

Assignment of Rockcliff's Interest in the Option and the Talbot Option Agreement

3. Rockcliff hereby assigns all of its right, title, interest and obligations in the Option and in the Talbot Option Agreement to Norvista in consideration for the following:
- (a) payment of CAN \$50,000 upon the Effective Date of this Agreement;
 - (b) payment of CAN \$150,000 upon satisfaction of all relevant considerations in the sole discretion of Norvista, such determination and payment to be made before the later of (i) three months from the Effective Date of this Agreement, and (ii) satisfaction of the Conditions Precedent;
 - (c) subject to making the payment in Section 3(b), the expenditure of a minimum of \$205,710.69 on the Talbot Project prior to April 14, 2019 pursuant to the terms of the Talbot Option Agreement to satisfy the fifth year expenditure commitment under the Talbot Option Agreement; and
 - (d) subject to making the payment in Section 3(b),
 - A. additional consideration as provided below which is payable for such period of time that Norvista or its assignee(s) is the optionee under the the Talbot Option Agreement or a joint venture partner under a joint venture agreement entered into pursuant to the terms of the Talbot Option Agreement or holds at least a 90% interest in the Talbot Project:
 - i. CAN \$1.0 million upon Commencement of Construction of the Tower Project unless Commencement of Construction does not occur on or before July 1, 2019, whereupon Norvista or its assignees, in order to keep this Agreement in good standing, can elect, subject to the provisions of Section 3(d)B, to commence payments of CAN \$50,000 (a "CofC Extension Payment") in six month instalments, subject to the provisions of Section 3(d)E, with the first payment occurring on July 1, 2019, with subsequent payments every six months thereafter until the earlier of Commencement of Construction and the payment of an aggregate of \$300,000 whereupon the CAN \$1.0 million shall be paid unless Commencement of Construction has not occurred or a CofC Extension Payment required in order to keep this Agreement in good standing has not been made then the provisions of Section 3(d)E shall apply. Norvista or its assignee (if such assignee is a public company) may elect to pay any one or more of the instalments in cash or as a Debt Settlement in its sole discretion;
 - ii. CAN \$900,000 upon the three month anniversary of the Commencement of Commercial Production at the Tower Project unless Commencement of Commercial Production does not occur on or before fifteen (15) months following Commencement of Construction (the "Proposed Production Date"), whereupon Norvista or its assignees, in order to keep this Agreement in good standing, can elect to commence payments of \$50,000 (a "CofCP Extension Payment") in six month instalments, subject to the provisions of Section 3(d)E, with the first payment occurring on the Proposed Production Date, with subsequent payments

every six months thereafter until the earlier of Commencement of Commercial Production and the payment of an aggregate of \$300,000 whereupon the CAN \$900,000 shall be paid unless Commencement of Commercial Production has not occurred or a CofCP Extension Payment required in order to keep this Agreement in good standing has not been made then the provisions of Section 3(d)E shall apply. Norvista or its assignee (if such assignee is a public company) may elect to pay any one or more of the instalments in cash or as a Debt Settlement in its sole discretion; and

- iii. CAN \$900,000 upon the six month anniversary of Commencement of Commercial Production at the Tower Project;
- B. on or before July 1, 2019, Norvista shall make an election to either (i) make expenditures of \$2,270,000 pursuant to the terms of the Talbot Option Agreement to earn a 51% interest in the Talbot Project (the “**Earn-in Election**”), and the Earn-in Election shall constitute a binding obligation of Norvista pursuant to the terms of this Agreement, or (ii) advise Rockcliff that it does not intend to earn its interest pursuant to the terms of the Talbot Option Agreement and the provisions of Section 3(d)C shall apply. If Norvista makes the Earn-in Election and Commencement of Construction does not occur on or before July 1, 2019, Norvista shall make the CofC Extension Payment on July 1, 2019 and, if required, shall make the CofC Extension Payment on January 1, 2019 to maintain its interest in this Agreement pending earning its 51% interest in the Talbot Project;
 - C. Norvista shall cause the Rockcliff Tower Project Royalty to be increased from a 1.5% net smelter return royalty to a 2.0% net smelter return royalty of which (A) 1.0% of the net smelter return may be purchased at any time by Norvista or its assignees for CAN \$2.0 million, and (B) the remaining 1.0% net smelter return shall be subject to a Right of First Refusal and, otherwise, the Rockcliff Tower Project Royalty shall remain in full force and effect and unamended, provided that if Norvista has elected to not proceed with the Talbot Option Agreement pursuant to the provisions of Section 3(d)B, the Rockcliff Tower Project Royalty shall be reduced back to a 1.5% net smelter return royalty and the Option and Norvista’s interest in the Talbot Option Agreement shall be returned to Rockcliff;
 - D. in the event Norvista initiates and is successful in negotiating with Hudbay to acquire at least a 90% ownership interest in the Talbot Project, and in the event of a condition of the acquisition which requires Rockcliff to transfer one or more of its owned or optioned properties to Hudbay, provided that Rockcliff otherwise accepts the terms of such transfer, Rockcliff will be granted a 2.0% net smelter return royalty on the Talbot Project, which is otherwise on the same terms and conditions of the the net smelter return royalty attached as Schedule “C” to the Talbot Option Agreement except that (A) 1.0% of the net smelter return may be purchased at any time for CAN \$2.0 million by Norvista or its assignees, and (B) the remaining 1.0% net smelter return shall be subject to a Right of First Refusal; and
 - E. in the event that Commencement of Construction does not occur by July 1, 2022 and Norvista has made the CofC Extension Payments under Section 3(d)Ai or as

soon as Norvista elects to not make a CofC Extension Payment, subject to the provisions of Section 3(d)B, or in the event that Commencement of Construction has occurred but Commencement of Commercial Production does not occur by the third anniversary of the Proposed Production Date and Norvista has made the CofCP Extension Payments under Section 3(d)Aii or as soon as Norvista elects to not make a CofCP Extension Payment and Norvista or its assignee still has an interest in the Talbot Project, the aggregate payment of \$2,800,000, or such portion thereof as remains outstanding, (the “**Outstanding Consideration**”) shall be satisfied by any proceeds received by Norvista or its assignee from the Talbot Project at the lesser of \$500,000 per year and 50% of the proceeds received by Norvista or its assignee per year until the Outstanding Consideration has been paid. Notwithstanding the foregoing, if, prior to any payments made by Norvista or its assignee from the proceeds received in respect of the Talbot Project, Commencement of Construction occurs at the Tower Project, the CAN \$1.0 million payment under Section 3(d)Ai shall be made to Rockcliff and credited against the Outstanding Consideration and if the payment is made in respect of the Commencement of Construction and, prior to any payments made by Norvista or its assignee from the proceeds received in respect of the Talbot Project, Commencement of Commercial Production occurs at the Tower Project, the CAN \$900,000 payments under Section 3(d)Aii and iii shall be made to Rockcliff and credited against the Outstanding Consideration.

4. Norvista hereby accepts assignment of the Talbot Option Agreement on the terms and conditions as provided for herein, and agrees to assume all the present and future obligations of Rockcliff under the Talbot Option Agreement.

Representations and Warranties

5. Each party represents and warrants to the other party that:
 - (a) the execution and performance by the parties hereto of this Agreement does not conflict with any contracts or other obligations to which they may be bound and, if applicable, does not conflict with and does not and shall not result in a breach of their respective articles, by-laws or resolutions; and
 - (b) this Agreement has been duly authorized, executed and delivered on behalf of the parties hereto, and is a valid and binding obligation of the parties hereto, enforceable in accordance with its terms (subject to the qualification that the enforcement thereof may be limited by applicable law affecting the enforcement of creditor’s rights and the availability of discretionary judicial remedies).
6. Rockcliff hereby represents and warrants to Norvista that:
 - (a) the Talbot Option Agreement is in good standing in accordance with its terms and it has performed all of its obligations and satisfied all of its covenants pursuant to this Agreement;
 - (b) a total of \$3,644,289.31 has been duly and validly spent as Expenditures (as defined in the Talbot Option Agreement) in accordance with the terms and conditions of the Talbot Option Agreement;
 - (c) no person has any agreement, right, title or privilege for the purchase, acquisition or

transfer of the Talbot Option Agreement pursuant to the assignment on the terms as provided for herein;

- (d) the claims comprising the Talbot Project are validly staked, located, duly recorded in the name of Hudbay, and in good standing pursuant to all applicable Laws (as hereinafter defined) and all taxes, rents, charges and assessments with respect thereto have been paid in full as of the date hereof;
- (e) there are no adverse claims or challenges against, or to the ownership of, or title to, the Talbot Project or substances thereon, therein or therefrom, nor to the knowledge of Rockcliff is there any basis therefor;
- (f) all necessary information and data (including, without limitation, all geological, geophysical and assay results and maps) concerning the Talbot Project and prior exploration and development work carried out thereon and within Rockcliff's knowledge has been disclosed and provided to Norvista;
- (g) Rockcliff have no information or knowledge of any facts pertaining to the Talbot Project or substances thereon, therein or therefrom not disclosed in writing to Norvista which, if known to Norvista, might reasonably be expected to deter Norvista from completing the transactions contemplated hereby on the terms and conditions contained herein;
- (h) Rockcliff have not directly or indirectly caused, permitted or allowed any contaminants as defined in applicable laws, pollutants, wastes or toxic substances (collectively "**Hazardous Substances**") to be released, discharged, placed, escaped, leached or disposed of on, into, under or through the lands (including watercourses, improvements thereon and contents thereof) comprising the Talbot Project or nearby areas and, so far as Rockcliff is aware, no Hazardous Substances or underground storage tanks are contained, harbored or otherwise present in or upon such lands (including watercourses, improvements thereon and contents thereof) or nearby areas;
- (i) to the best of Rockcliff's knowledge at this time there are no obligations or commitments for reclamation, closure or other environmental corrective, clean-up or remediation action directly or indirectly relating to the Talbot Project;
- (j) there are no actions, suits, investigations or proceedings before any court, arbitrator, administrative agency or other tribunal or governmental authority, whether current, pending or threatened, which directly or indirectly relate to or affect the Talbot Project (including the ownership and existing or past uses thereof and the compliance with laws of the lands comprising the Talbot Project) nor is Rockcliff aware of any facts which would lead Rockcliff to suspect that the same might be initiated or threatened;
- (k) the activities directly or indirectly in relation to the Talbot Project and use of the lands comprising the Talbot Project by Rockcliff and, to the best of Rockcliff's knowledge, by any other person have been in compliance with all laws and Rockcliff has not received any notice nor is Rockcliff aware after reasonable inquiry of any such breach or violation having been alleged; and
- (l) no environmental audit, assessment, study or test has been conducted in relation to the lands comprising the Talbot Project by or on behalf of Rockcliff nor is Rockcliff aware of any of the same having been conducted by or on behalf of any other person (including any governmental authority).

Survival of Representations and Warranties and Indemnity by Parties

7. The representations and warranties contained herein shall survive the execution of this Agreement for a period of (2) two years, and a party shall be entitled to rely upon the same notwithstanding any independent investigations such party may make or could have made at any time, unless specifically waived by such party.
8. For a period of two years from execution of this Agreement, each party indemnifies and agrees to save harmless the other from and against all claims, demands, losses, costs, expenses and damages sustained and incurred by such party arising from, caused by or resulting from a breach of the representations and/or warranties provided by such party pursuant to the terms of this Agreement.

General Provisions

9. Time shall be of the essence of this Agreement and of every part thereof.
10. All notices, payments and other required communications to the parties ("Notices") shall be in writing, and shall be addressed respectively as follows:

TO: NORVISTA CAPITAL CORPORATION
 141 Adelaide St. W
 Suite 1660
 Toronto, Ontario M5H 3L5
Attention: Donald Christie – President and CEO

TO: ROCKCLIFF METALS CORPORATION
 141 Adelaide St. W
 Suite 1660
 Toronto, Ontario M5H 3L5
Attention: Ken Lapierre – President & CEO

All Notices will be given (a) by personal delivery to the party, (b) by registered or certified mail return receipt requested, or (c) by overnight or other express courier service. All such Notices will be effective and will be deemed given on the date of receipt at the principal address if received during normal business hours, and, if not received during normal business hours, on the next business day following receipt. Any party may change its address by notice to the other Parties given in accordance with this Section.

11. The parties hereto agree that they shall do all acts and things and execute and deliver such further and other papers and documents as may be necessary and desirable or reasonably required by a party hereto to carry out the intent and purpose of and give full effect to this Agreement and every part thereof, and any other relevant regulatory authorities or interested parties.
12. This Agreement supersedes and replaces all prior negotiations and/or agreements made between the parties hereto, whether oral or written, and contains the entire understanding between the parties with respect to the subject matter hereof.
13. This Agreement shall not be assignable by the parties hereto without the prior written consent of the other parties, such consent not to be unreasonably withheld, but subject thereto shall enure to

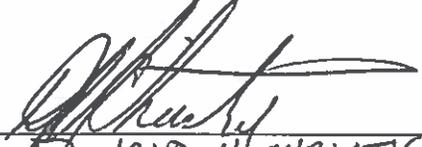
the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and other legal personal representatives and permitted assigns.

14. This Agreement may be signed by the parties in as many counterparts as may be deemed necessary, each of which so signed will be deemed to be an original, and all such counterparts together will constitute one and the same instrument.
15. This Agreement, including, without limitation, the representations, warranties, acknowledgements and covenants contained herein, will survive and continue in full force and effect and be binding upon the parties.
16. The invalidity or unenforceability of any particular provision of this Agreement will not affect or limit the validity or enforceability of the remaining provisions of this Agreement.
17. This Agreement may not be amended or modified in any respect except by written instrument signed by each of the parties hereto.
18. This Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable herein.

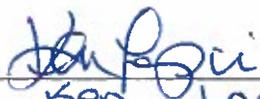
[Signature page follows.]

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

NORVISTA CAPITAL CORPORATION

Per: 
Name: DONALD H. CHRISTIE
Title: PRESIDENT - CEO

ROCKCLIFF METALS CORPORATION

Per: 
Name: Ken Lapierre
Title: President & CEO

SCHEDULE "A"

[Insert copy of the Talbot Option Agreement]

SCHEDULE "B"

DEFINITIONS

"Affiliate" means, in relation to a Party, a corporation that:

- (i) is directly or indirectly controlled by such Party; or
- (ii) directly or indirectly controls such Party; or
- (iii) is, directly or indirectly, controlled by a corporation that also, directly or indirectly, controls such Party.

For the purpose of this definition, **"control"** of a corporation means the power to direct, administer and dictate policies of such corporation, it being understood and agreed that control of a corporation can be exercised without direct or indirect ownership of fifty percent (50%) or more of its voting shares, provided always that the ownership of the right to exercise fifty percent (50%) or more of the voting rights of a given corporation shall be deemed to be effective control hereunder.

"Commencement of Construction" means commencement of construction of an initial portal or ramp at the Tower Project in order to implement a mine plan;

"Commencement of Commercial Production" shall mean the commercial exploitation of Products, but shall not include treating, shipping or milling of Products only for the purposes of testing or milling or leaching by a pilot plant or during the initial tune-up period of any mine or plant whether on or off the Property. Commercial Production shall be deemed to have commenced:

- (i) if a mine or plant is located on the Property, on the first day of the month following the first period of thirty (30) consecutive days during which Products have been processed through such mine or plant at an average rate of not less than sixty percent (60%) of the design-rated capacity of such mine or plant; or
- (ii) if no plant is located on the Property, on the first day of the month following the first period of thirty (30) consecutive days during which an aggregate of 25,000 tonnes of ore have been shipped from the Property on a reasonably regular and sustainable basis for the purpose of earning revenue;

"Debt Settlement" means the satisfaction of an instalment amount owing by Norvista or its assignees to Rockcliff by the issuance of common shares of Norvista, or its assignee (if such assignee is a public company), (**"Shares"**) to Rockcliff. Any payment of an instalment in Shares is subject of the approval of the TSX Venture Exchange (the **"TSXV"**). If the instalment is payable in Shares, the deemed price of the Shares shall be the volume weighted average trading price of the Shares on the TSXV for the ten trading days preceding the payment date on which actual trading of the Shares occurred through the facilities of the TSXV;

"Right of First Refusal" shall mean if, at any time Rockcliff desires to sell, assign, transfer, or dispose of the whole or any part of the applicable royalty (the **"Royalty"**) to a proposed transferee from whom Rockcliff have received a bona fide offer which it is prepared to accept (a **"Bona Fide Offer"**), Rockcliff shall first offer to sell the Royalty, for 60 days, to Norvista or its assignees, at the same price and on the same terms as are contained in the Bona Fide Offer from the proposed transferee, and shall specify the

proposed transferee. Rockcliff shall also provide Norvista or its assignees with a written copy of the Bona Fide Offer that they have received from the proposed transferee. Within such 60 days Norvista or its assignees shall give written notice of acceptance or rejection of the said offer. Failure to deliver a notice of acceptance or rejection within such 60 days will be deemed a rejection of the offer. If Norvista or its assignees do not wish to acquire the Royalty offered, Rockcliff may, during the period of 60 days next following the expiry of the 60 day offer period, sell, assign, transfer or otherwise dispose of to the proposed transferee the Royalty at the same or at a higher price but otherwise on substantially the same terms and conditions as the original offer received from the proposed transferee. For greater certainty, (i) the Right of First Refusal applies whether or not the Buy-Out Right has been exercised, and (ii) the transferee shall be subject to the terms and conditions hereof after the acquisition including the Buy-Out Right and the Right of First Refusal.

“Rockcliff Tower Project Royalty” is the 1.5% net smelter returns royalty held by Rockcliff on the Tower Project.

“Tower Project” means certain mineral exploration lands located in the Province of Manitoba held by Akuna Minerals Inc., of which Norvista owns 80% of the issued and outstanding shares, pursuant to the terms of the Tower Property Purchase and Sale Agreement, as amended, between Rockcliff and Akuna.

SCHEDULE "C"

**HUBBAY CONSENT TO ROCKCLIFF ASSIGNMENT OF TALBOT OPTION AGREEMENT TO NORVISTA
DATED JUNE 20, 2018**

[see following page]

SCHEDULE "C"

CONSENT & ASSUMPTION

TO: Hudbay Minerals Inc. ("**Hudbay**")

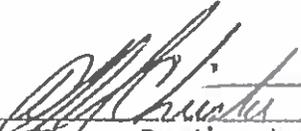
RE: Option and Joint Venture Agreement dated April 14, 2014 (the "**Talbot Option Agreement**")
between Hudbay and Rockcliff Metals Corporation ("**Rockcliff**")

1. Pursuant to Section 27 of the Talbot Option Agreement, Rockcliff notifies you of its intention to assign the Talbot Option Agreement to Norvista Capital Corporation ("**Norvista**")
2. Norvista covenants to observe and be bound by all of the provisions of the Talbot Option Agreement in the place and stead of Rockcliff.
3. For greater certainty, any further sale, transfer or other disposition of the interest of Norvista in the Talbot Option Agreement shall remain subject to the restrictions in Section 27 of the Talbot Option Agreement.
4. Hudbay hereby consents to the assignment of the interests of Rockcliff in the Talbot Option Agreement to Norvista and confirms and agrees that (i) the Talbot Option Agreement is in good standing in accordance with its terms as far as it is aware, and (ii) a total of \$3,644,289.31 has been duly and validly spent as Expenditures (as defined in the Talbot Option Agreement) in accordance with the terms and conditions of the Talbot Option Agreement as at the date hereof.

[The rest of this page has intentionally been left blank.]

DATED as of the 3rd day of MAY, 2018.

NORVISTA CAPITAL CORPORATION

Per: 
Name: DONALD H. CHRISTIE
Title: PRESIDENT & CEO

ROCKCLIFF METALS CORPORATION

Per: 
Name: Ken Lapierre
Title: PRESIDENT & CEO

AGREED AND ACKNOWLEDGED as of the 20 day of June, 2018.

HUBBAY MINERALS INC.

Per: 
Authorized Signing Officer

SCHEDULE "C"

CONSENT & ASSUMPTION

TO: Hudbay Minerals Inc. ("Hudbay")

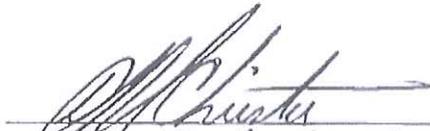
RE: Option and Joint Venture Agreement dated April 14, 2014 (the "Talbot Option Agreement")
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1. Pursuant to Section 27 of the Talbot Option Agreement, Rockcliff notifies you of its intention to assign the Talbot Option Agreement to Norvista Capital Corporation ("Norvista")
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3. For greater certainty, any further sale, transfer or other disposition of the interest of Norvista in the Talbot Option Agreement shall remain subject to the restrictions in Section 27 of the Talbot Option Agreement.
4. Hudbay hereby consents to the assignment of the interests of Rockcliff in the Talbot Option Agreement to Norvista and confirms and agrees that (i) the Talbot Option Agreement is in good standing in accordance with its terms as far as it is aware, and (ii) a total of \$3,644,289.31 has been duly and validly spent as Expenditures (as defined in the Talbot Option Agreement) in accordance with the terms and conditions of the Talbot Option Agreement as at the date hereof.

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DATED as of the 3rd day of MAY, 2018.

NORVISTA CAPITAL CORPORATION

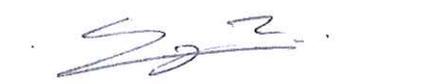
Per: 
Name: DONALD H. CHRISTIE
Title: PRESIDENT & CEO

ROCKCLIFF METALS CORPORATION

Per: 
Name: Ken Lapierre
Title: PRESIDENT & CEO

AGREED AND ACKNOWLEDGED as of the 20 day of June, 2018.

HUBBAY MINERALS INC.

Per: 
Authorized Signing Officer

SCHEDULE "D"

FORM OF HUSBAY CONSENT TO ASSIGNMENT OF TALBOT OPTION AGREEMENT

CONSENT & ASSUMPTION

TO: Hudson Bay Exploration and Development Company Limited ("**Hudbay**")

RE: Option and Joint Venture Agreement dated April 14, 2014 (the "**Talbot Option Agreement**") between Hudbay and Rockcliff Metals Corporation ("**Rockcliff**")

1. Pursuant to Section 27 of the Talbot Option Agreement, Norvista Capital Corporation ("**Norvista**") notifies you of its intention to assign the Talbot Option Agreement to Rockcliff,
2. Rockcliff covenants to observe and be bound by all of the provisions of the Talbot Option Agreement in the place and stead of Norvista.
3. For greater certainty, any further sale, transfer or other disposition of the interest of Rockcliff in the Talbot Option Agreement shall remain subject to the restrictions in Section 27 of the Talbot Option Agreement.
4. Hudbay confirms and agrees that (i) the Talbot Option Agreement is in good standing in accordance with its terms as far as it is aware, and (ii) a total of \$[X] has been duly and validly spent as Expenditures (as defined in the Talbot Option Agreement) in accordance with the terms and conditions of the Talbot Option Agreement as at the date hereof.

[The rest of this page has intentionally been left blank.]

DATED _____, 2019

Norvista Capital Corporation

Per: _____

Rockcliff Metals Corporation

Per: _____

Hudbay Minerals Inc.

Per: _____

SCHEDULE "E"

BUCKO MILL LEASE

[see following page]

MINERAL PROCESSING FACILITIES LEASE

CaNICKEL MINING LIMITED

and

NORVISTA CAPITAL CORPORATION

Dated: February 8, 2018

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Schedule "B" - Bucko Lake Mine Property Excluded from Leased Premises
Schedule "C" - Form of Environmental Indemnity Agreement
Schedule "D" - Form of Lender's Controlling Shareholder Undertaking

THIS MINERAL PROCESSING FACILITIES LEASE is made as of this 8th day of February, 2018.

BETWEEN:

CaNICKEL MINING LIMITED,

(the "**Lessor**"),

OF THE FIRST PART,

- and -

NORVISTA CAPITAL CORPORATION,

(the "**Lessee**"),

OF THE SECOND PART.

WITNESSETH that, in consideration of the mutual covenants, conditions and agreements herein contained, the Lessor and the Lessee covenant and agree as follows:

ARTICLE I

DEFINITIONS

1.01 Definitions.

In this lease:

- (a) “**2,100,000 Tonne Test**” has the meaning given to it in section 3.04 hereof.
- (b) “**Access Road**” has the meaning given to it in section 9.01 hereof.
- (c) “**Assignee**” has the meaning given to it in section 13.02 hereof.
- (d) “**Bucko Lake Mine**” means the Lessor’s nickel mine and mill facility near Wabowden, Manitoba as shown on Schedule A, as may be expanded through the acquisition of additional property or mineral interest rights, part of which constitute the Leased Premises.

- (e) “**Claim**” means any Remedial Order, claim, demand, complaint, grievance, action, cause or right of action, damage, loss, costs, liability, obligation or expense, assessments or reassessments, including, without limitation, reasonable professional fees and all reasonable costs incurred in investigating or pursuing any of the foregoing, or any proceeding, arbitration, mediation or other dispute resolution procedure relating to any of the foregoing, or any orders, writs, injunctions or decrees of any Governmental Authority.
- (f) “**Closure Costs**” means an annual estimate (unless the parties agree to a different period) of the projected on-site and off-site closure and remediation costs associated with the TSF, as it may be expanded or augmented, assuming the TSF were to be closed at the end of the next calendar year and assuming the higher of prevailing and anticipated usage during such ensuing one-year period.
- (g) “**Closure Study**” means an annual study (unless the parties agree to a different period) completed or updated by the parties to develop information needed to update Environmental Permits and determine the projected Closure Costs. The Closure Study will be completed by independent engineers at the request of the Lessor and will be obtained at the Lessee’s expense.
- (h) “**Commencement Date**” has the meaning given to it in section 3.04 hereof.
- (i) “**Commencement of Commercial Production**” means the first day of the calendar month following the month during which either the Mill or the Tower Project, whichever occurs first, achieves Commercial Production for a period of any twenty (20) days out of any thirty (30) consecutive days.
- (j) “**Commercial Production**” means the operation of the Mill or the Tower Project mine, excluding bulk sampling or milling for the purpose of testing, where either the Mill has achieved a minimum throughput of at least seventy-five percent (75%) of its designed throughput as reflected in the Mill Conversion Plan or the Tower Project mine has achieved a minimum production of at least seventy-five percent (75%) of its quarterly mine plan as reflected in the Feasibility Study.
- (k) “**Confidential Information**” has the meaning given to it in section 21.01 hereof.
- (l) “**Conversion Period**” means the period of time from the Commencement Date during which the Lessee will convert the Mill capability from nickel-only production to add copper/zinc capability for the purpose of being able to process ore from both the Tower Project and Bucko Lake Mine.
- (m) “**Director of Mines**” means the director of mines appointed by the Minister responsible for administration of *The Mines and Minerals Act* (Manitoba).

- (n) “**Discloser**” has the meaning given to it in section 21.02 hereof.
- (o) “**Environmental Laws**” means all Laws relating to or otherwise imposing liability or standards of conduct with respect to environmental or health matters (excluding laws directly governing worker health and safety), including legislation governing the labelling, use, transportation, manufacture, processing, generation, distribution, treatment, storage, discharge, release, disposal, clean-up or handling of Hazardous Substances and laws relating to the operation, closure and reclamation of mines, mills and tailings storage facilities, including the operation of Final Discharge Point(s), and the terms and conditions of any Environmental Permits.
- (p) “**Environmental Permits**” means all permits, certificates, licences, authorizations, consents, instructions, registrations, directions or approvals issued or required by any Governmental Authority pursuant to any Environmental Laws in relation to construction, operation and closure of the Leased Premises, including without limitation *Environment Act* license(s), all Reclamation and Closure Obligations, any permit issued by a Government Authority authorizing the use of water or electricity and Land Use Permits.
- (q) “**Escrow Account**” has the meaning given to it in section 6.02 hereof.
- (r) “**Extension Period**” means an extension of up to nine (9) months granted by the Lessor to the Lessee under section 2.02 hereof during which the Lessee shall seek to satisfy the Feasibility/Financing Conditions.
- (s) “**Feasibility Study**” means the feasibility study which the Lessee intends to prepare regarding the development and operation of the Tower Project, including the costs associated with the conversion of the Mill and the payments payable by the Lessee under the terms hereof.
- (t) “**Feasibility/Financing Conditions**” means the completion of the Feasibility Study, obtaining all required permits and approvals from Governmental Authorities and securing the Financing which must be fulfilled or waived in Lessee’s sole discretion in writing within the Financing Period, or which will be deemed not to have been satisfied whereupon this Lease will terminate.
- (u) “**Financing**” means the financing commitments required by the Lessee to fund the capital expenditure costs associated with the conversion of the Mill and the mine development costs associated with the Tower Project.
- (v) “**Financing Period**” means the period terminating six (6) months from the date hereof during which the Lessee will seek to fulfil the Feasibility/Financing Conditions, subject to such extensions as provided for in section 2.02 hereof.

- (w) “**Final Discharge Point**” means any final discharge point through which effluent is discharged to the environment, including without limitation the Mill and the TSF, and which is subject to regulatory control under an Environmental Permit or Environmental Law, including without limitation the *Metal Mining Effluent Regulations* made under the *Fisheries Act* (Canada).
- (x) “**Force Majeure**” means any delay of the performance of any covenant or agreement of a party hereto due to a condition or cause beyond the reasonable control of the party obligated to perform and which could not have been avoided by the exercise of due care, including a labour dispute, but does not include delays due to a party’s insolvency, lack of funds or like financial cause.
- (y) “**Governmental Authority**” means any governmental, regulatory or administrative authority, department, agency, commission, board, panel, tribunal, Crown corporation, Crown ministry or court or other law, rule or regulation-making or enforcing entity having jurisdiction in relation to the Leased Premises.
- (z) “**Hazardous Substances**” means any substance which is deemed to be, alone or in any combination, hazardous, hazardous waste, radioactive, deleterious, toxic, caustic, dangerous, a contaminant, a pollutant, a dangerous good, a waste, a special waste, a source of contamination or a source of a pollutant under any Environmental Law whether or not such substance is defined as hazardous under the Environmental Law involved; any substances or materials the presence or concentration of which in soil, sediment, ground water or surface water is regulated under any Environmental Law, including, without limitation, asbestos, asbestos-containing materials, lead or lead-based paint, polychlorinated biphenyls, mould, mildew or fungi, oil, waste oil, petroleum, petroleum products, or urea formaldehyde foam insulation; and any other material or substance which may pose a threat to the environment or to human health or safety.
- (aa) “**Land Use Permits**” means all property rights, including mineral leases, surface leases or Crown land general permits needed for the operation of the Mill and the future development and operation of the TSF contemplated in this Lease.
- (bb) “**Laws**” means all applicable laws, common law, statutes, regulations, by-laws, rules, decrees, orders, ordinances, protocols, codes, guidelines, policies, notices, directions and judgments or other requirements of any Governmental Authority and includes Environmental Laws.
- (cc) “**Lease**” means this mineral processing facilities lease agreement and the four Schedules hereto.
- (dd) “**Lease Term**” is the period described in section 3.04 hereof and as may be extended hereunder.

- (ee) “**Leased Premises**” means the surface areas and those assets that are described in Schedule “A” and for avoidance of doubt excludes the property surface areas and assets described in Schedule “B”.
- (ff) “**Lender**” means Hebei Wenfeng Industrial Company Limited, the Lessor’s principal shareholder and creditor.
- (gg) “**Lender’s Controlling Shareholder Undertaking**” means the agreement between the parties hereto and the Lender described section 3.08 hereof in the form of Schedule D.
- (hh) “**Mill**” means the ore milling building and equipment forming part of the Leased Premises, as it may be modified pursuant to the term hereof.
- (ii) “**Mill Audit**” has the meaning given to it in section 3.02 hereof.
- (jj) “**Mill Conversion**” means the conversion of the Mill by the Lessee to allow for copper/zinc as well as continued nickel production as described in section 4.01 hereof.
- (kk) “**Mill Conversion Plan**” has the meaning given to it in section 3.03 hereof.
- (ll) “**Recipient**” has the meaning given to it in section 21.02 hereof.
- (mm) “**Reclamation and Closure Obligations**” means all notice, closure and reclamation obligations in respect of the Leased Premises under Environmental Laws and Environmental Permits, including without limitation those under *Environment Act* Licence No. 2808 RR, as revised from time to time; Part 14 of *The Mines and Minerals Act* (Manitoba), as amended from time to time, and regulations made thereunder; any closure plan approved by the Director of Mines and financial assurance held by the Government of Manitoba in relation to the Leased Premises; and the *Metal Mining Effluent Regulations* SOR/2002-222 made under the *Fisheries Act* (Canada), as amended from time to time.
- (nn) “**Release**” means any release, spill, leak, pumping, pouring, emission, emptying, discharge, injection, escape, leaching, disposal, dumping, deposit, spraying, burial, abandonment, incineration, seepage, placement or migrating to, into or through the environment.
- (oo) “**Remedial Order**” means any administrative or regulatory enforcement action, investigation, complaint, direction, order, charge, prosecution or sanction issued, filed or imposed by any Governmental Authority pursuant to Environmental Laws and includes, without limitation, any order requiring remediation or clean-up of

any Hazardous Substance, or requiring that any Release or any other activity be reduced, modified or eliminated.

- (pp) “**Schedules**” means the four schedules referred to in the schedules index which form part of this Agreement.
- (qq) “**Shared Usage**” means the respective rights of the parties to shared usage of the Mill, including customary nearby surface areas and access, following the exercise of the Shared Usage election right of the Lessor in section 5.04 hereof.
- (rr) “**Tailings Usage Payment**” or “**TUP**” has the meaning given to it in section 12.03 hereof.
- (ss) “**Tailings Storage Facilities**” or “**TSF**” means the tailing storage facilities comprising part of the Leased Premises referred to in section 6.01 hereof which, for greater clarity, includes only the area described in *Environment Act* Licence No. 2808 RR, issued March 28, 2008, and revised December 31, 2010 and further revised on September 29, 2011 as the “tailings management area” (“TMA”) and not the “interim tailings storage facility (“ITSF”), as the TSF may be augmented or amended, whether or not further developed after the date this Lease is entered into.
- (tt) “**Tower Project**” means the mine development project which totals 9530 hectares and is located approximately 120 km south southeast of Snow Lake, Manitoba controlled by an affiliate of Lessee.

ARTICLE II

FEES AND FINANCING PERIOD

2.01 Non-Refundable Fees. The Lessor hereby acknowledges receipt from the Lessee of:

- (a) a deposit payment in the amount of \$50,000 which the Lessor shall use to defray its costs in connection with the negotiation of this Lease and the remainder of the \$50,000 deposit, if any, will be retained by the Lessor; and
- (b) a non-refundable fee in the amount of \$150,000 paid on execution and delivery by the parties of this Lease and the Environmental Indemnity Agreement in the form attached hereto as Schedule “C” and the execution and delivery by the parties and the Lender of the Lender’s Acknowledgment.

2.02 Financing Period. In consideration of the aggregate payments of \$200,000 described in section 2.01 hereof, the Lessor will grant the Lessee a six (6) month period from the date of the execution of this Lease to satisfy the Feasibility/Financing Conditions and to obtain all required Governmental Authority approvals for Mill Conversion, as provided for in sections 3.03 and 8.06 below. The Financing Period may be extended by a further three (3) months by a payment of \$100,000 made within the six (6) month period. During the Financing Period, the Lessor shall not grant to any other party any rights of access, use or ownership of the Leased Premises or any part thereof unless made expressly subject to the terms hereof in a manner acceptable to Lessee, acting reasonably. The Lessee shall periodically review the Feasibility Study with the Lessor during the period of its preparation. The Lessee may, on ten (10) days' notice before the expiry of the initial nine (9) month period, extend the Financing Period for the Extension Period for up to a further nine (9) month period by paying monthly non-refundable extension fees plus any applicable Goods and Services Tax, to the Lessor at the rate of \$80,000 for each month (pro-rated by the number of weeks in the final month) during such Extension Period. If, during the Extension Period, the Lessee confirms the fulfilment of, or waiver of, the Feasibility/Financing Conditions, the Lessee shall not be obligated to pay any monthly payments relating to the Extension Period described above which are not due until after the date of such confirmation or waiver. If the Lessee determines, in its sole discretion, that it will not satisfy the Feasibility/Financing Conditions during the Financing Period and, if applicable, the Extension Period, the Lessee may on at least thirty (30) days' prior notice to the Lessor during the Financing Period and the Extension Period, if applicable, terminate the Lease and upon such termination, the Lessee shall not be obligated to pay any monthly payments relating to the Extension Period described above which are not due as of the date of such notice. In the event the Lessee has not otherwise confirmed the fulfilment of or waiver of the Feasibility/Financing Conditions prior to the end of the Financing Period or, if applicable, the Extension Period, this Lease will terminate at the end of the Financing Period or, if applicable, the Extension Period.

ARTICLE III

LESSEE ACCESS, MILL AUDIT AND LEASE TERM

3.01 Lessee Access to Leased Premises. During the Financing Period, the Lessee shall have, for itself and its representatives, reasonable, non-exclusive access, on reasonable notice to Lessor of not less than 48 hours, to the Leased Premises from time to time during the completion of the Feasibility Study, such access at the Lessee's sole risk and expense. Such access will be for the sole purpose of completing the Feasibility Study and the Mill Audit; and such access will not be considered to be commencement of the Lease Term. Lessee shall ensure that its representatives are personally insured for accidents while on-site and Lessee shall indemnify the Lessor for any personal injury or damage caused by such representatives (excluding any causes arising out of Lessor's negligence). Lessor may have personnel on-site at the time of access by Lessee's representatives and such personnel will not unreasonably interfere with Lessee's work.

3.02 Mill Audit. As part of the Feasibility Study, the Lessee shall perform a comprehensive audit of the Mill and all equipment (the "**Mill Audit**") to determine the condition of the Mill and any risks associated with potential future failure of Mill components based upon

the condition of the Mill at the time of the Mill Audit. In the event that any Mill components or equipment are in need of immediate repair, unsuitable or of high risk of failure during the first year of use of the Mill by Lessee, the repair or replacement cost of same will be paid by the Lessee.

3.03 Planning for Mill Conversion. The Mill Audit shall include making a plan for Mill Conversion (the “**Mill Conversion Plan**”) filing any notices of alteration with Manitoba Sustainable Development in connection with *Environment Act Licence* No. 2808 RR or other applications as may be required and receiving all required regulatory approvals for the Mill Conversion, all of which shall be acceptable to the Lessor, acting reasonably. The Mill Conversion Plan may form part of the Feasibility Study and must be prepared or certified by independent engineers.

3.04 Lease Term. The Lease Term shall commence on the date of the written fulfilment or waiver of the Feasibility/Financing Conditions delivered by the Lessee to the Lessor (the “**Commencement Date**”) and shall terminate on the date which is the earlier of (i) the date upon which 2,100,000 tonnes of Tower ore have been processed at the Leased Premises by the Lessee (the “**2,100,000 Tonne Test**”); and (ii) seven (7) years from the Commencement Date. In the event that Shared Usage is elected by the Lessor as provided herein, the Lease Term shall be extended (unless the 2,100,000 Tonne Test has been met) by one additional month for each month of Lessor’s exclusive use of the Mill. In the event the Lessor and Lessee agree on an alternative Shared Usage schedule they will negotiate an extension past seven (7) years which reasonably reflects an additional period to make up the time where the Lessee did not have access to the Mill due to Lessor’s usage. For avoidance of doubt however in no event will the term of this Lease extend past seven (7) years and nine (9) months from the Commencement Date (inclusive of the Extension Period).

3.05 Lessee Must have Adequate Financing Before Commencing Mill Conversion. Lessor shall be provided with reasonable written evidence by way of third party financing agreements, actual cash balances or the like demonstrating that Lessee has sufficient funds to complete the Mill Conversion based on the Mill Conversion Plan, including a reasonable amount for contingencies. Lessor may, if it has reason to believe Lessee has insufficient funds to complete its Tower Project and Mill Conversion Plan, require that Lessee place the Mill Conversion funds into a segregated escrow account accessible only for Mill Conversion costs. Lessor must be provided with such written evidence of adequate financing before any physical work commences which would adversely affect the Lessor if the Lessee is unable to complete the Mill Conversion.

3.06 Owner of Tower Project Must Guarantee Lease. In addition to evidence of adequate financing under section 3.05, Lessor shall be provided prior to commencement of Mill Conversion with a guarantee in customary form of all of Lessee’s obligations under this Lease by the owner Tower Project which guarantee must remain in effect throughout the Term of the Lease and in accordance with Article XIII.

3.07 Delivery of Leased Premises. Subject to Force Majeure and section 3.05, the Lessor shall provide and the Lessee shall accept the Leased Premises on the Commencement Date and upon the Commencement Date, the Lessee shall perform a review of the Leased Premises and all equipment to determine the condition thereof for the purpose of using such information to perform such repairs as are required under section 3.02. A further review shall be performed at the end of the Lease Term in connection with the Lessee's obligations under section 11.02 hereof. All such required repairs are at Lessee's expense. The Lessee shall be responsible for controlling access to the Leased Premises (except that the Lessor shall at all times have reasonable access) and maintaining security during the Lease Term, and except as otherwise expressly contemplated herein during Shared Usage. From and after acceptance of the Leased Premises, Lessee shall be responsible for all operating costs associated therewith (except during Shared Usage) including utilities, taxes and water treatment as contemplated by section 12.06. Lessee shall provide evidence of having fulfilled its insurance requirements under Article XVII on acceptance of Leased Premises.

3.08 Representation as to Ownership and Condition. The Lessor hereby represents and warrants to the Lessee that the Lessor is the owner of and entitled to exclusive possession of the Leased Premises including the Mill and of all the equipment and personal property comprising the Leased Premises as of the Commencement Date and shall remain so during the Lease Term. The Lessor hereby further represents and warrants to the Lessee that the Leased Premises including all such equipment and personal property is and shall remain free and clear of all liens, pledges, encumbrances, security interests, title defects, restrictions of sale or rights of others, whatsoever, of any nature, kind or description except those, if any, that are disclosed in Schedule "A" hereto. The Leased Premises shall be leased on a strictly "as is, where is" basis and there are no collateral agreements, conditions, representations or warranties of any nature whatsoever made by the Lessor, express or implied, arising at law, by statute or in equity or otherwise, with respect to the Leased Premises and in particular, without limiting the generality of the foregoing, there are no collateral agreements, conditions, representations or warranties made by the Lessor, express or implied, arising at law, by statute or in equity or otherwise, as to description, fitness, suitability for any particular purpose, operating condition, or the future cash flows from the Leased Premises, or its current compliance with Laws. The Lessee acknowledges that it is relying entirely on its own judgment and investigation with respect to the suitability of the Leased Premises for its proposed use in connection with the Tower Project.

3.09 Assignment of Warranties. Each party will seek to enforce all rights under applicable warranties and guarantees to which it is entitled in connection with the Leased Premises to the extent reasonably required to maximize the value of the Leased Premises and to facilitate other party's use thereof as contemplated hereunder. On termination of the Lease, Lessee will assign any remaining warranties and guarantees to Lessor provided they are assignable without consent or with consent if that consent is required and obtained. Lessee will otherwise provide Lessor with the benefits of such warranties to the extent it is able to enforce them which it will do at Lessor's expense. Each party agrees to assist the other in pursuing any claims or actions against contractors, equipment manufacturers or other suppliers in respect of any available warranty or guarantee.

3.10 Lender's Acknowledgment. Concurrent with the execution and delivery of this Lease, the Lessor shall provide to the Lessee written Lender's Controlling Shareholder Undertaking from the Lender in the form of Schedule "D" hereto, which provides that as long as the Lessee is in compliance with this Lease, the Lender shall, if such Lender elects to realize on its loans or debt of the Lessor, not challenge or seek to nullify this Lease and shall, to the extent within its legal power, cause the Lessor to honour this Lease. The Lessor hereby undertakes to forthwith give the Lessee notice in writing of any other party becoming a Lender not otherwise identified herein and shall provide the Lessee with the same written acknowledgment from such party.

ARTICLE IV

MILL CONVERSION AND COMMERCIAL PRODUCTION

4.01 Mill Conversion. Upon the Commencement Date, the Lessee shall promptly commence conversion of the Mill, at its own cost, from nickel-only production capability to copper/zinc and nickel production capability for the purpose of processing ore from the Tower Project while not adversely affecting the Mill's ability to process Bucko Mine nickel ore, all in accordance with the Mill Conversion Plan. The Mill Conversion shall be in Lessee's discretion provided that the conversion: (i) does not adversely affect the Lessor's ability to process nickel ore from the Bucko Lake Mine; (ii) complies with all applicable Laws and sound engineering principles; (iii) complies with the Mill Conversion Plan; and (iv) is carried out and developed in a good and workmanlike manner. All of the Lessee's employees and contractors who carry out the Mill Conversion shall be appropriately credentialed, qualified, experienced and certified.

4.02 Commercial Production. The Lessee shall use reasonable efforts to achieve Commencement of Lessee's Commercial Production at the Leased Premises within eighteen (18) months from the Commencement Date. A failure to achieve Commercial Production for any reason will not relieve the Lessee from its obligation to make the monthly minimum rental and other payments required under Article XII.

4.03 Regular Liaison. Promptly on reasonable request by the Lessor, the Lessee shall provide information to the Lessor concerning the Lessee's progress to achieve Commencement of Lessee's Commercial Production at the Leased Premises.

ARTICLE V

USE OF MILL

5.01 Use of Mill by Lessor. The Lessor may use the Mill to process ore from its Bucko Lake Mine on the following basis:

- (a) until the Lessee commences the Mill Conversion by initiating construction at the Mill, the Lessor may use the Mill without restriction; and

- (b) during the Mill Conversion, Lessor may use the Mill only at times and in a way which do not cause significant delays or cost increases to Lessee.

5.02 Use of Mill by Lessee. After the completion of the Mill Conversion, written notice of which shall be given by the Lessee to the Lessor, and from the time that ores from the Tower Project are ready to delivered to the Mill for processing (provided that this occurs within 18 months of the Commencement Date), the Lessee shall have the exclusive right to operate the Mill for twenty-four (24) continuous months, subject to compliance with the terms of this Lease. The Lessee will limit stockpiling of ore on the Leased Premises to a maximum of thirty (30) days of average life-of-mine Mill processing as projected by the Feasibility Report. The Lessee may only store and treat ores from the Tower Project on the Leased Premises.

5.03 Manuals, Reports and Spare Equipment. The Lessee shall be permitted to have access to and use of any spare equipment situated at the Mill which is not specifically included on Schedule "A" hereof (unless excluded on Schedule "B") provided that such equipment is available to Lessor when needed and is continuously maintained, repaired or replaced by Lessee as a result of any such repair or replacement caused by the Lessee's use of such spare equipment. The Lessee shall return any such equipment to the Lessor in the same or better condition, subject to reasonable wear and tear, than that which existed at the time that the Lessee assumed possession or use of such equipment. Subject to Article XXI, the Lessor shall allow the Lessee to copy all maintenance reports, drawings, manuals and other relevant documentation in the possession or control of the Lessor concerning the Leased Premises.

5.04 Shared Usage Election. Commencing from the earlier of the end of: (i) the Lessee's twenty-fourth (24th) month of Commercial Production; and (ii) the forty-second (42nd) month of the Lease Term, the Lessor may elect, on giving ninety (90) days' written notice to Lessee, to initiate Shared Usage of the Mill. Any use of the Mill by the Lessor during a period of Shared Usage shall be for the sole purpose of the Lessor's Commercial Production of nickel concentrate from the Bucko Lake Mine. Upon the initiation of Shared Usage, a maximum Shared Usage period of six (6) months will commence for the Lessor. On the last day of any such Shared Usage period of the Lessor (each individual Shared Usage period not to exceed six months), exclusive use of the Mill will immediately revert to the Lessee for the subsequent minimum six (6) month period, subject to the terms of this Lease. During any of the Lessee's periods of Shared Usage, the Lessor shall have the right to notify the Lessee upon on giving ninety (90) days' prior written notice, of the Lessor's intention to commence use of the Mill at the end of the period within which the Lessor's notice was received by the Lessee, for a maximum period of six (6) months. The parties shall also in good faith determine if other periods of rotation or shared usage can be mutually beneficial without materially and disproportionately adversely affecting one party. During any period of Shared Usage, the parties shall make arrangements in writing to respectively assume sole (but coordinated) responsibility for compliance with Environmental Laws and Environmental Permits in connection with its own operation of the Mill.

5.05 Shared Usage Operations. The Lessee and the Lessor acknowledge that, at the time of signing of this Lease, it is not possible to articulate all the details of the contemplated

Shared Usage as they will be influenced by the Feasibility Report and the Mill Conversion Plan; however, they wish to record the following principles which are intended to govern the development of Shared Usage:

- (a) in so far as reasonably practical and provided neither party is required to hire the employees, consultants or agents of the other except as may be required by Law, the parties shall use reasonable efforts coordinate the hiring of Mill management and employees who will be capable of operating the Mill during both Lessee's usage and Lessor's usage;
- (b) Mill insurance shall be acquired in a manner that all Mill and related Shared Usage operations are sufficiently covered and both the Lessor and the Lessee are named insureds according to their interests with the costs split according to the risk premiums assessed and respective entitlements to coverage;
- (c) supplies, maintenance, security services, utilities and, government assessments shall be, insofar as is practical, jointly managed and the costs thereof allocated in accordance with each party's usage;
- (d) environmental management personnel will be jointly retained to ensure continuity of meeting all environmental standards during usage rotation with independent environmental consultants retained to provide outside advice about risks and performance of the personnel who are employees;
- (e) the parties will consider whether an alternative legal structures such as a jointly owned corporation which holds all or part of the Leased Premises will provide better liability protections and/or tax advantages to the parties without materially disadvantaging either party;
- (f) for avoidance of doubt, each party shall maintain separate accounting records and shall be entitled to any profit and responsible for any loss, liability or obligation incurred during its period of Shared Usage; and
- (g) neither party may at any time, encumber the Leased Premises or permit any lien or charge to attach thereto without the consent of the other party which consent is in its sole discretion.

ARTICLE VI

TAILINGS STORAGE FACILITIES

6.01 TSF Expansion Study. At least sixty (60) days prior to completion of the Mill Conversion, the Lessee shall at its own expense retain a qualified, recognized independent third party engineering firm to estimate the projected cost of expanding the tailing storage facilities

comprising part of the Leased Premises (the “TSF”). The estimate will be based on the Lessee’s mine plan, measured in one year intervals, and shall reflect any anticipated Shared Usage by Lessor, which information the Lessor shall be obliged to supply within a reasonable period of time upon the request of the Lessee. Using this joint estimate, the parties will establish a unit-of-throughput based TUP so that the Lessee will pay a TUP so that if the TUP were spent by Lessor at the time of its accrual, the amount would be sufficient to continuously provide the Lessor with at least the amount of tailings storage capacity as existed at the Commencement Date, during the ensuing one year period. It is intended hereby that availability of, and use by Lessor of, the TSF shall, notwithstanding Lessee’s use, involve no reduction in TSF availability or greater a cost to Lessor for depositing its own tailings in the TSF. This TUP amount will then be divided by the planned production tonnage to be stored in the year in order to determine a suitable TUP on a per tonne of Mill throughput basis as calculated under section 12.03 hereof. The TUP shall be reviewed annually by the Lessee and the Lessor to ensure it is fully reflective of all direct and indirect costs and may be adjusted upwards or downwards from the previous year. Any such annual adjustment shall be subject to review and agreement by the parties with any dispute subject to arbitration. For avoidance of doubt, the TUP is non-refundable and the Lessor is not obligated to spend the amounts on the TSF provided the Lessee at all times during the Lease Term when it is entitled to operate the Mill, is able to discharge the anticipated volume of tailings into the TSF.

6.02 Closure Study and Escrow Account. At the end of each year (or such other period as both parties may agree) of Commercial Production, the Lessee shall at its own expense retain a qualified, recognized independent third party engineering firm to complete or update the Closure Study to determine the projected Closure Costs and develop any information needed to update Environmental Permits. The Lessee will, from time to time, deliver to the Lessor a true and complete copy of the Lessee’s mine plan, as amended from time to time. Upon receipt of the completed or updated Closure Study, the Lessee shall make an additional cash payment into a separate escrow account (the “**Escrow Account**”) in an amount equal to fund the Lessee’s share of the estimated cumulative Closure Costs. The Escrow Account will be held by a bank or other financial institution in an account requiring the signature of two persons, including one designated representative of each of the parties, for release of any funds.

6.03 Lessee’s Share of Closure Costs. The percentage of the Closure Costs to be paid by Lessee will be equal to the percentage of the TSF capacity utilized by Lessee where the numerator is the greater of the amount of the tonnes (or cubic metres) of the TSF actually or projected to be used by Lessee and the denominator is total TSF capacity that is required to be closed, all as calculated by the Lessor, acting reasonably. For greater clarity, the total TSF capacity denominator includes the TSF capacity used by the Lessor starting from when it commenced mining operations at the Bucko Lake Mine and excluding any portion which has already been closed and reclaimed. The Lessee’s share of Closure Costs shall be paid into the Escrow Account referred to section 6.02 within ten (10) days of the independent calculation.

6.04 Use of the Escrow Account. During the Lease Term, subject to the terms of this Lease, the Lessee in consultation with Lessor, may draw upon the Escrow Account to pay costs of reclamation and closure incurred in complying with section 8.10(c) below. Any balance remaining will be paid to each party 50:50 if there is a surplus after all Closure Costs have been

paid. All withdrawals from the Escrow Account will require the joint direction of the Lessor and the Lessee or the decision of the arbitrator in respect of any dispute as to whether there is a surplus in the Escrow Account or the manner in which the Escrow Account funds should be expended.

ARTICLE VII

WATER TREATMENT FACILITIES

7.01 Modification of Water Treatment Facilities. If it is believed by either Lessor or the Lessee during the Mill Audit that the existing water treatment facilities on the Leased Premises likely require modification in capacity or process, the Lessee shall at its own expense retain a qualified, recognized independent third party engineering firm to determine the recommended modifications. All capital costs required for the modification of the existing water treatment facilities will be for the account of the Lessee. To the extent such capital costs benefit the Lessor by representing an improvement over its existing water treatment facilities for its nickel ores, Lessor will credit Lessee against its TUP obligations with an annual amount which represents a fair share of the costs of the upgrade amortized over the seven year term of the Lease and allocating to each party over by the number of cubic meters of water each party actually processes annually). During the Lease Term, the operating costs associated with the water treatment facilities will be allocated between the Lessor and the Lessee according to their respective usage of the water treatment facilities.

ARTICLE VIII

ENVIRONMENTAL AND REGULATORY MATTERS

8.01 Lessor's Share of Environmental Liability. The Lessor shall be responsible for paying the costs of any Reclamation and Closure Obligations that exist prior to the Commencement Date or that occur as a result of the Lessor's acts or omissions during the Lease Term, including Shared Usage. Where such pre-existing conditions are aggravated or exacerbated by the Lessee's activities, the additional costs shall be borne by the Lessee or if the exacerbation is the result of both parties' activities, then shared reasonably according to responsibility for the relevant condition.

8.02 Lessee's Share of Environmental Liability. Except for any increase in such costs arising from the Mill Conversion, the Lessee shall be responsible for the costs of Reclamation and Closure Obligations incurred through its use and occupation of the Leased Premises, including its reasonable share of any pre-existing Reclamation and Closure Obligation or condition which has been exacerbated by the Lessee's occupation and use of the Leased Premises; for certainty, however, this obligation in relation to the TSF shall be satisfied by the Lessee's compliance with Article 6.02.

8.03 Existing Environmental Condition of the Leased Premises. During the Financing Period, the parties shall together retain and equally share the costs of a consultant to prepare a

report which sets out the environmental condition of the Leased Premises or together identify and agree upon existing reports or other documents on which both may rely to establish the baseline conditions of the Leased Premises prior to the Commencement Date.

8.04 Responsibility for Reclamation and Closure. Except for the Lessee's responsibility to carry out reclamation and closure of those portions of the TSF which it uses during the Lease Term, as set out in section 8.10(b) below, the Lessor is and shall remain responsible for complying with all Reclamation and Closure Obligations during and after the Lease Term that relate to site conditions which prevailed as of the date hereof and the Lessor and Lessee shall share responsibility for all other costs resulting from their respective operations (including exacerbation of existing conditions). During the Lease Term, the Lessor shall continue to be responsible for filing and obtaining approval for any amendments as may be required of the closure plan approved by the Director of Mines and financial assurance held by the Province of Manitoba in relation to the Leased Premises; provided however that, in doing so, the Lessor shall have access to and may rely upon the information contained in the Closure Study prepared by the Lessee in accordance with section 6.02 hereof. The Lessee acknowledges that it is responsible to supply accurate information to complete such governmental applications and to comply with any conditions or obligations imposed the Director of Mines or other authority insofar as they relate to the Lessee's usage of the Mill and Leased Premises.

8.05 Environmental Indemnity. Lessor and Lessee shall enter into an environmental indemnity agreement concurrently with the execution and delivery of this Lease in the form attached as Schedule "C" hereof.

8.06 Approval for Mill Alteration. In accordance with section 3.03 above, the Lessee shall prepare all necessary applications and pay all costs associated with obtaining Governmental Authority approval for the Mill Conversion and any further approval that may be required in relation to the Lessee's intended operation on the Leased Premises. The Lessor shall cooperate with the Lessee in making all notifications and applying for all necessary Environmental Permits or alterations to Environmental Permits required for the Lessee to carry out the Mill Conversion and to operate on the Leased Premises and shall, on request by the Lessee and on a timely basis, comply with any reasonable request to provide: (i) any documentation or authorization as may be required by Governmental Authorities to authorize same; and (ii) copies of any environmental reports or other information in its possession or control which may be of assistance in the regulatory process(es) applicable to obtaining approval for and carrying out the Mill Conversion and operation by the Lessee of the Leased Premises.

8.07 Compliance. In its operation of the Leased Premises, the Lessee will comply with all Laws (including all Environmental Laws and Environmental Permits) including, without limitation, carrying out all data collection, reporting and giving notices to Governmental Authorities and meeting all requirements of Environmental Laws in relation to use of water, impacts to air and water, storage of tailings and the operation of the Final Discharge Point(s). During any period of usage by Lessor during Shared Usage, the Lessor shall be similarly responsible for compliance with all Environmental Laws and Environmental Permits pertaining to its operations. Each of the Lessee and the Lessor will immediately advise the other and, if

deemed by the other to be required by law or otherwise prudent to do so, the applicable Governmental Authority of any non-compliance. For greater clarity, the Lessor shall continue to be solely responsible for compliance with all Environmental Laws and Environmental Permits in relation to the Bucko Lake Mine, including its Interim Tailings Storage Facility (ITSF) and any Final Discharge Point associated therewith.

8.08 Obligation to Maintain Environmental Permits. Throughout the Lease Term, the parties shall cooperate to maintain in good standing and renew, if required, all Environmental Permits required for the operation of the Leased Premises. Upon written request by a party, the other party shall provide such information as it may have and which reasonably may be needed by the other party to coordinate the maintenance of all permits. The parties intend that each party pays the costs of securing such Environmental Permits as it requires provided that where a permit benefits both parties, the other party will contribute reasonably to the costs of securing the permit but only to the extent such other party actually operates the Mill in reliance on such Environmental Permit(s) under Shared Usage.

8.09 Permitting for the Tower Project. The Lessee shall not develop the Tower Project or the Access Road or any other any link between the Tower Project and the Leased Premises, for the transport of ore, without first obtaining all necessary Environmental Permits and complying with all applicable Environmental Laws. Such road will be an integral part of the Mill Conversion Plan.

8.10 Operations. From the date hereof, the Lessor shall maintain the Bucko Lake Mine and associated facilities, excluding the Leased Premises except when it is exercising Shared Usage, but including operation of the Final Discharge Point associated therewith, in compliance with Environmental Laws. Except for periods in which Lessor exercises its right of Shared Usage as set out in sections 5.04 and subject to the intention of the parties to coordinate activities as far as is practical under section 5.05, during the Lease Term, the Lessee and Lessor shall coordinate:

- (a) establishing and complying with policies and procedures with respect to health, safety and environmental best practices;
- (b) operating the Leased Premises in compliance with Laws (including all Environmental Laws), including the TSF and Final Discharge Point(s); and
- (c) carrying out the reclamation and closure of the portions of the TSF.

ARTICLE IX

ACCESS ROAD CONSTRUCTION

9.01 Access Road Construction. The Lessor shall cooperate with the Lessee, at Lessee's sole cost, in obtaining such approvals, permits or other authorizations as the Lessee may

require to construct a new access road along PTH 6 from the Manitoba Hydro power right of way to the main road servicing the Leased Premises (the “**Access Road**”). The Lessee shall be responsible for all costs and liabilities whatsoever which are associated with constructing and maintaining the Access Road. On termination of this Lease for any reason, the Lessee shall be solely liable to reclaim or maintain the Access Road as required by law and good industry practice. Lessor shall have the right to use the Access Road at its own risk provided such use does not interfere with the Lessee’s use of the Mill, is in compliance with all Laws, applicable approvals, permits or other authorizations from any Governmental Authority and that the Lessor shall indemnify the Lessee for any loss arising from personal injury or damage to property incurred by the Lessee as a result of the use of the Access Road by the Lessor.

ARTICLE X

AGREEMENTS WITH MANITOBA HYDRO

10.01 Manitoba Hydro Agreements. Provided that the Lessee is not in default of its obligations under this Lease, the Lessor shall maintain all agreements with Manitoba Hydro which are in good standing as of the date hereof or which can be brought into good standing without significant expense to Lessor and will, upon request from the Lessee from time to time, provide written confirmation that such agreements remain in good standing and copies of any correspondence in connection with the agreements. The Lessor shall provide Lessee with such historical power usage information as it has in its possession or is able to obtain from Manitoba Hydro.

ARTICLE XI

TERMINATION

11.01 Early Termination by Lessee. On 180 days’ prior written notice, the Lessee shall have the right to terminate this Lease at any time following the third anniversary date of the Commencement Date, without any additional or accelerated payment of rent or penalties but provided all accrued TUP and Closure Costs are paid and the obligations set forth in section 11.02 are fulfilled. A termination of this Lease pursuant to this section will constitute a termination of the Lease Term. Notwithstanding the foregoing, any of the Lessee’s obligations that are expressed to survive termination of this Lease, shall survive.

11.02 Return of Leased Premises Upon Termination. Upon termination of this Lease, the Lessee shall return the Leased Premises to the Lessor in the same or better condition than that which existed at the Commencement Date, reasonable wear and tear, measured from Commencement of Commercial Production, excepted. The Lessee will be responsible for removing or reversing any alterations the Lessee made, or had commenced to make, to the Leased Premises that impair Lessor’s use or denigrate from its value, provided however that the Lessee shall not disturb any alterations without the Lessor’s consent, it being intended that any improvements to the Leased Premises resulting from the Lessee’s alterations will, in the Lessor’s sole discretion, be made permanent. To the extent there is value to the Lessor in the

improvements, they accrue solely to Lessor. The Lessor will provide the Lessee with reasonable time to reverse any alterations to the Leased Premises which Lessor directs be reversed or removed. The Lessee shall leave the Lessor with a true copy of all operating, employment and other operating records and equipment manuals pertaining to its operation of the Mill and will assign (to the extent assignable) or help enforce any manufacturer or other warranties applicable to any such improvements to the Lessor, without charge or undue delay but at Lessor's cost for any enforcement costs.

ARTICLE XII

MONTHLY RENTAL AND OTHER PAYMENTS BY LESSEE TO LESSOR

12.01 **Initial Monthly Rent.** On the Commencement Date, the Lessee shall pay to the Lessor monthly rent in advance of \$100,000 up until the Commencement of Lessee's Commercial Production to a maximum of twelve (12) months.

12.02 **Subsequent Monthly Rent.** From the earlier of the start of: (i) the first day of the thirteenth (13th) month from the Commencement Date; and (ii) the first day of the month following Lessee's Commencement of Commercial Production and until the termination date of the Lease Term, the Lessee shall make a monthly rental payment in advance to the Lessor in an amount that is the greater of: (i) a production based payment of \$6.95 per tonne for the ore from the Tower Project processed by the Lessee through the Mill; and (ii) \$250,000. To the extent that negative fluctuations in the monthly throughputs cause over-payments based on the minimum of \$250,000, such payment will be adjusted quarterly to provide that the Lessor will annually receive the higher of: (i) the aggregate annual throughput multiplied by \$6.95 tonne; and (ii) \$3,000,000. During Shared Usage by Lessor, Lessee will not be obligated to pay rent but will still be responsible for a share of such shared Leased Premises costs as will benefit Lessee or which do not relate to Lessor's usage, such as insurance and Leased Premises repairs paid by Lessor that will benefit Lessee's future usage.

12.03 **Tailing Usage Payment.** From the earlier of the start of: (i) the thirteenth (13th) month from the Commencement Date; and (ii) Commencement of Lessee's Commercial Production and until the termination date of the Lease Term, the Lessee shall make a payment on a per tonne of tailings which are estimated in the Lessee's mine plan to be stored in the ensuing month (the "**Tailing Usage Payment**" or "**TUP**"). The TUP is to be based on the requirement to fund a reserve sufficient to expand the TSF to accommodate all of the Lessee's tailings, and compensate any other additional costs incurred by Lessor on account of Lessee's use of the TSF, so that Lessor's ability to use the TSF is not adversely affected, economically or technically, by Lessee's usage. For avoidance of doubt, the TUP is not intended to represent a return on Lessor's investment in the TSF but is intended to make Lessor whole in connection with its ability to use the TSF and, accordingly, the TUP will be adjusted annually to ensure adequate funds have been paid to cover the full costs of anticipated TSF expansion. TUPs will be paid into a separate TUP escrow account to be established on terms similar to those of the Closure Costs Escrow Account under section 6.02. Any overpayment will be available for refund. The Lessor shall exclusively direct the timing of the draw down and use of the escrow funds on the basis the TSF will be

expanded to accommodate the Lessee's anticipated requirements during the term of the Lease, but provided that any unused funds in the escrow account will be paid to Lessor at termination of this Lease (less any overpayment payable to Lessee based on a final independent estimate of replacing the TSF actually used by Lessee).

12.04 Interest on Amounts in Arrears. Whenever any part of an amount payable hereunder by the Lessee to the Lessor is in arrears, the same shall bear interest at the rate of three percent (3%) per annum above the Prime Lending Rate of The Royal Bank of Canada charged at its main office in the City of Vancouver, from time to time, and such interest shall be due and payable on demand. For avoidance of doubt, interest charges are in addition to any other right the Lessor has hereunder including its right to terminate this Lease for unpaid amounts.

12.05 Taxes, Utilities and Other Charges. During the Lease Term the Lessee shall pay, as and when due to the authority to which same are owing its percentage share of all property taxes, security and utility charges (including those for electricity, light, heat, gas, power, water, sewer, garbage collection, telephone) attributable to the Leased Premises. During Shared Usage, these charges shall be borne by Lessor. The Lessee may apply to have utilities separately metered (at its sole cost), if available and not adverse to Lessor. Upon request by the Lessor, the Lessee shall deliver promptly to the Lessor evidence of payment of all charges that are directly payable by the Lessee.

12.06 Net Lease. The Lessee shall pay to the Lessor all amounts required to be paid by the Lessee pursuant to this Lease without any deduction, defalcation, abatement or set-off whatsoever, it being the intention of this Lease that the Lessee shall pay all charges, impositions, costs and expenses of every nature and kind related to the Leased Premises except for those expressly described herein which are the responsibility of the Lessor and that such amounts shall be totally carefree and absolutely net to the Lessor.

ARTICLE XIII

ASSIGNING, SUBLETTING AND ENCUMBERING

13.01 General Prohibition on Assignment, Subletting and Encumbering. Lessee may not at any time sublet or encumber the Leased Premises and may only assign its rights and obligations herein as permitted by sections 5.05(g) and 13.02.

13.02 Conditions to Assignment. The Lessee may, upon thirty (30) days' notice to the Lessor, sell, assign, transfer or otherwise dispose of its rights and obligations herein to a person (an "Assignee") provided that:

- (a) the Lessee is not in default of this Lease;

- (b) the Lessor, acting reasonably, concludes Assignee has the technical and financial resources to perform its obligations hereunder and the Lessor has no reasonable objection to the proposed Assignee;
- (c) the Assignee owns the Tower Project or the person or persons which own the Tower Project, first become(s) joint and several co-obligor(s) with such Assignee of all the obligations owed to the Lessor under this Lease; and
- (d) the Assignee and the co-obligors enter into customary forms of assignment and guaranty agreements under which they assume and/or guaranty the due performance of the Lessee's obligations including previous obligations not yet fulfilled, with drafts of such agreements to be provided to Lessor for review concurrently with the notice of proposed assignment.

13.03 Change in Ownership or Control of Lessee. Any change in control of the Lessee shall not be deemed an assignment or subletting of the Leased Premises and the Lessor shall not be required to consent to any such change of control but Lessee shall provide Lessor a notice of such event. Change of control means a change in the ownership of voting control of Lessee such that a majority of its board changes within six months of the change of voting control.

13.04 Disposition of Leased Premises. Any sale, lease, transfer or other disposition of the Leased Premises made or given by the Lessor shall require that any such purchaser, lessee or transferee assume the obligations of the Lessor hereunder in writing in form and content acceptable to the Lessee acting reasonably.

ARTICLE XIV

COMPLIANCE WITH LAWS, BUILDERS' LIENS

14.01 Compliance with Laws. The Lessee, during the Lease Term and at its own expense, shall promptly comply, and shall cause its employees, agents, licensees, invitees and other persons on or about the Leased Premises to comply with the requirements of every applicable law, rule, by-law, regulation, order, direction, ordinance and standard of every competent federal, provincial, municipal, regional and other statutory authority in force during the Lease Term and concerning or affecting the condition, maintenance, use and occupation of the Leased Premises and all improvements, appurtenances, equipment, machinery and other facilities from time to time therein, thereon or used in connection therewith and the making of any repairs, replacements and alterations to the Leased Premises and, in so doing, the Lessee, shall make any necessary alterations, repairs, additions or deletions in, on or to the Leased Premises, improvements or appurtenances or any part or parts thereof, and any equipment, machinery or any part or parts thereof, and any equipment, machinery or other facilities in, on, upon, used in connection with or appurtenant to the Leased Premises or any part thereof. The Lessor shall also be obliged to comply with the aforementioned obligations during any period of time when it is using the Leased Premises during a period of Shared Usage provided that nothing herein shall obligated the Lessor to repair or improve any portion of the Leased Premises in connection with

Lessee's copper recovery or in connection with damage or wear and tear of the Leased premises caused by the Lessee.

14.02 Builders' Lien. The Lessee will not suffer or permit any lien under *The Builders' Liens Act* (Manitoba) or like statute to be registered against the title to the Leased Premises, or the interest of the Lessor therein, by reason of work, services or materials supplied or claimed to have been supplied to the Lessee or anyone holding any interest through or under the Lessee. If any such lien is registered, the Lessee shall do all things necessary to promptly obtain and register a discharge forthwith after the lien has come to the notice of the Lessee. If the Lessee desires to contest in good faith the amount or validity of any lien and has so notified the Lessor, and if the Lessee has paid into the court of competent jurisdiction to the credit of any lien action the amount of the lien claimed and costs, then the Lessee may contest the claim with due diligence, provided always that neither the Leased Premises nor the Lessee's interest therein shall thereby become liable to forfeiture or sale. The Lessor may, but will not be obliged to, discharge any lien filed at any time if in the Lessor's judgment the Leased Premises or the Lessee's interest therein becomes liable to any forfeiture or sale or is otherwise in jeopardy, and any amount paid by the Lessor in so doing, together with all reasonable costs and expenses of the Lessor, shall be paid to the Lessor by the Lessee on demand and if not so paid, shall be recoverable as rent in arrears. Nothing herein contained will be deemed to authorize the Lessee, or imply any consent or agreement on the part of the Lessor, to subject the Lessor's estate and interest in the Leased Premises to any lien.

ARTICLE XV

REPAIRS, MAINTENANCE AND ALTERATIONS

15.01 Repair and Maintenance. The Lessee assumes sole responsibility for the condition, operation, maintenance and management of the Leased Premises throughout the Lease Term at its own expense, the Lessee shall repair, maintain and keep the Leased Premises and all improvements, appurtenances and equipment therein and thereon in good repair and condition in compliance with its requirement to return the Leased Premises in as good or better condition than those which existed as of the Commencement Date, reasonable wear and tear excepted. The Lessor remains responsible under this Lease only for any obligations it has herein expressly assumed. Notwithstanding the foregoing, during the Lessor's use of the Leased Premises during any period of Shared Usage, the Lessor shall be responsible for the performing the obligations of the Lessee set forth in this section and may upon notice to Lessee, perform at Lessee's expense, any of the foregoing requirements of Lessee which it has neglected or refused to perform, provided that the Lessor has previously given reasonable notice to the Lessee of any such requirements and the Lessee has not subsequently performed the requirements or implemented a plan acceptable to the Lessor, acting reasonably, to perform the requirements.

15.02 No Unauthorized Alterations. Notwithstanding anything to the contrary in this Lease, the Lessee shall not make or erect in the Leased Premises any installations, alterations, additions or partitions without having received the prior written approval of the Lessor to the plans and specifications for such installations, alterations, additions or partitions and any

variation or amendment thereof, which approval is not a substitute for the approval of any relevant statutory authority or compliance with any Law. The Lessor shall be entitled to recover from the Lessee the Lessor's reasonable costs of having its architects and engineers examine such plans and specifications. Notwithstanding the foregoing, during the Lessor's use of the Leased Premises during any period of its Shared Usage, the Lessor shall be responsible for performing the same obligations set forth in this section insofar as the Lessee's operations would be affected by any intended installations, alterations, additions or partitions and the Lessee shall have the right to approve the Lessor's plans and specifications for any of the Lessor's installations, alterations, additions or partitions and to recover from the Lessor the Lessee's reasonable costs of having its architects and engineers examine such plans and specifications.

15.03 Construction of Alteration. The Lessee shall construct the installations, alterations, additions and partitions only in accordance with the Lessor approved plans and specifications and in a good and workmanlike manner and will proceed diligently to completion. All such construction will be done only by persons approved in writing by the Lessor, such approval not to be unreasonably withheld or delayed. Notwithstanding the foregoing, during the Lessor's use of the Leased Premises during any period of Shared Usage, the Lessor shall be responsible for performing its obligations in the same manner as set forth in this section and the persons performing the construction work must have necessary credentials, experience and permits.

15.04 Payment for Work. Each party shall pay for all expenses incurred for work performed upon, and materials incorporated into, the Leased Premises for which it is responsible under this Article as same are due.

ARTICLE XVI

LIABILITY AND INDEMNIFICATION

16.01 Non-liability and Certain Indemnification of Lessor. Except for those which result from the negligence of the Lessor, the Lessor shall not be liable or responsible in any way for any personal injuries that may be sustained by the Lessee or any employee, contractor, visitor or other person at the Leased Premises with the actual or implied permission of the Lessee, nor responsible for any loss of or damage or injury to, property belonging to or in the possession of the Lessee or any employee or other person at the Leased Premises with the actual or implied permission of the Lessee, and without limiting the generality of the foregoing, the Lessor shall not be liable or responsible in any way for any injury, loss or damage to person or property caused by any spill, explosion, reagent escape, hazardous material, as well as any smoke, steam, water, ice, rain, snow or fumes which may leak, issue or flow into, through or from the Leased Premises or for any matter or thing of whatsoever nature or kind arising from the Lessee's use and occupation of the Leased Premises.

16.02 General Indemnification of Lessor. Except for those caused by the negligence of the Lessor, the Lessee does hereby indemnify and save harmless the Lessor from and against any and all liabilities, damages, costs, expenses, causes of action, actions, claims, suits and

judgments which the Lessor may incur or suffer or be put to by reason of or in connection with or arising from:

- (a) any breach, violation or non-performance by the Lessee of any covenant, condition or agreement set forth in this Lease;
- (b) any damage to property of the Lessor, any licensee, and all persons claiming through or under the Lessee or any licensee, or any of them, or damage to any other property howsoever occasioned by the condition, use, occupation or maintenance of the Leased Premises by the Lessee;
- (c) any injury to any person, including death resulting at any time therefrom, occurring in or about the Leased Premises during the use thereof by the Lessee; and
- (d) any wrongful act or neglect of the Lessee, its invitees and licensees, in and about the Leased Premises.

16.03 Indemnification of Lessee. The Lessor shall indemnify and save harmless the Lessee and its officers, directors, shareholders, employees, agents and assigns from and against any and all expenses that the Lessee may incur and any judgments, damages, liabilities, costs, charges, interest, penalties, fines, monetary sanctions or expenses incurred or suffered in respect of, or for which the Lessee becomes liable as a consequence of or in relation to or arising out of any failure on the part of the Lessor to comply with its obligations under Environmental Laws or under Article VI (Tailings Storage Facilities) Article VII (Water Treatment Facilities) Article VIII (Environmental and regulatory Matters) or Article IX (Access Road Construction) of this Lease.

16.04 Survival of Indemnification. The indemnifications under sections 16.01, 16.02, and 16.03 shall survive any termination of this Lease, anything in this Lease to the contrary notwithstanding.

ARTICLE XVII

INSURANCE

17.01 Lessee's Insurance. Subject to section 5.05 in connection with risks the insurance for which can shared, the Lessee shall purchase and keep in force throughout the Lease Term additional commercial liability, major equipment, business interruption and environmental liability insurance for its operations and the Leased Premises in such amounts and on such terms are as customary and reasonable within the mining industry and will provide Lessor evidence of same on request.

17.02 Policies. The Lessee will purchase all policies from insurers, upon terms and in amounts, satisfactory to the Lessor acting reasonably. The Lessee will furnish to the Lessor copies of all policies, or insurance certificates in lieu thereof, and will provide written notice of the continuation of such policies not less than ten (10) days prior to their respective expiry dates. The Lessee shall timely pay the premiums for each policy. If the Lessee fails to purchase or keep in force such insurance the Lessor may, but shall not be obligated to, effect such insurance, the cost thereof being recoverable from the Lessee forthwith on demand.

17.03 Lessor as Insured. The Lessee shall cause each of its policies to contain an undertaking by the insurer(s) to notify the Lessor at least thirty (30) days prior to cancellation or any other change material to the Lessor's interests. All policies will include the Lessor as an additional named insured with cross liability clauses, where appropriate.

17.04 Insurance Waiver. The Lessor hereby waives its right to claim compensation from Lessee to the extent of the amount of compensation received by the Lessee under any policy of insurance that the Lessee has taken out, in respect of damages caused by the act, omission or negligence of the Lessor, or caused by those for whom the Lessor is in law responsible.

ARTICLE XVIII

DAMAGE OR DESTRUCTION

18.01 Damage to or Destruction of Leased Premises.

- (a) If the Leased Premises shall be damaged by fire or other casualty for which the Lessor and Lessee are insured, but are not thereby rendered inoperable for Lessee's processing of ore, the Lessor and Lessee shall, at their own expense, cause such damage to be repaired and the rent shall not abate. If, by reason of such occurrence, the Leased Premises shall be rendered such that, if repaired, the Lessee will be prevented from processing ore for a period of more than sixty (60) consecutive days at a rate of at least 80% of the rated capacity of the Mill, then the Lessee may, at its election, give notice to the Lessor to terminate this Lease. Such event does not relieve Lessee of its obligations on termination, other than any obligation to return the Leased Premises to the Lessor in the same or better condition as provided for in section 11.02 hereof to the extent that the Lessor has received insurance proceeds for damage to the Leased Premises.
- (b) It is understood and agreed that nothing contained in this section shall obligate the parties to rebuild the Leased Premises or any part thereof, according to original plans and specifications.

ARTICLE XIX

LESSOR'S COVENANTS

19.01 Quiet Enjoyment. If the Lessee punctually pays the sums due under this Lease and complies with its obligations under this Lease, the Lessee shall peaceably possess and enjoy the Leased Premises during the Term without any interruption or disturbance from the Lessor or any person or persons claiming by, through or under the Lessor, except for the rights of the Lessor relating to Shared Usage, provided however that:

- (a) the Lessor reserves the right to take control of the Leased Premises on reasonable notice to the Lessee in the event of a non-urgent default and immediately and without prejudice to the Lessee upon receiving credible information that urgent steps are required to be taken in order to preserve health, safety, the environment or property; and
- (b) each of the parties shall be entitled at all reasonable times to inspect the Leased Premises and the other party's books and records pertaining to the Leased Premises to verify the other party's compliance with the terms hereof and all applicable operating permits.

ARTICLE XX

PERFORMANCE OF COVENANTS, DEFAULT AND BANKRUPTCY

20.01 Lessor May Perform Covenants. If the Lessee makes default in any of its covenants and agreements herein, then the Lessor, without limiting any other remedy which it may have, shall have the right to remedy any such default and for such purpose may at any time enter upon the Leased Premises. No entry for such purpose will be deemed to cause a forfeiture or termination of this Lease. In order to cure such default, the Lessor may do all things necessary to cure the default and such things as may be incidental thereto, including, without limitation, the right to make repairs and to expend monies. The Lessee will reimburse the Lessor forthwith upon demand the aggregate of all costs, charges and expenses incurred by the Lessor in remedying any such default plus ten percent (10%) of same. The Lessor will be under no obligation to remedy any default of the Lessee, and will not incur any liability to the Lessee for any action or omission in the course of its remedying or attempting to remedy any such default unless such act amounts to intentional misconduct or gross negligence on the part of the Lessor.

20.02 Rights of Termination of Lessor. The Lessor may terminate this Lease if and whenever any of the following events of default should occur:

- (a) any operation of the Mill by the Lessee in a manner contrary to this Lease or applicable legal requirements and industry standards or failure by the Lessee to

perform any covenant under this Lease or breach of any term, other than failure to timely pay rent;

- (b) a failure by the Lessee to timely pay rent and any other amount due under this Lease;
- (c) if the Lessee makes an assignment for the benefit of creditors or becomes bankrupt or insolvent or takes the benefit of, or becomes subject to any statutes that may be in force relating to bankrupt or insolvent debtors (the appointment of a receiver or receiver and manager of the property and assets of the Lessee being conclusive evidence of insolvency);
- (d) any certificate or order is made or granted for the winding-up or dissolution of the Lessee, voluntarily or otherwise; or
- (e) if the Lessee ceases regular operation of the Mill (excluding by reason of placing the Mill on a care and maintenance protocol) or abandons operations; or
- (f) if the Lessee is determined to have made a material misrepresentation in this Lease or other information supplied to Lessor, governmental or other third parties;

provided that, in the case of an event described in subsection (a) hereof, Lessee shall have up to thirty (30) days to correct any default which is not an imminent or serious risk to health or the environment, from the earlier of date that the Lessee first becomes aware of such breach or is notified of such breach by Lessor. Breaches or default of this Lease which pose an imminent or serious risk to health or the environment must be immediately rectified or if that is not possible, continuously and diligently prosecuted until rectification is complete. If Lessee fails to rectify a subsection (a) default as aforesaid or breaches or defaults under any of the other subsections above, then at the option of the Lessor, the Lease Term shall become forfeited and void and the Lessor may without notice or any form of legal process whatever forthwith re-enter the Leased Premises or any part thereof in the name of the whole and repossess and enjoy the same as of its former estate, anything contained in any statute or law to the contrary notwithstanding. Such forfeiture shall be wholly without prejudice to the right of the Lessor to recover unpaid amounts or damages for any antecedent breach of the Lessee's covenants, obligations or agreements under this Lease, and provided that notwithstanding any such forfeiture the Lessor may subsequently recover from the Lessee damages for losses suffered by reason of this Lease having been rendered forfeited and void as aforesaid. No such re-entry or taking possession of the Leased Premises by the Lessor shall be construed as an election on the part of the Lessor to terminate this Lease unless at the time of or subsequent to such re-entry or taking up possession written notice of such intention has been given to the Lessee or such termination is decreed by a court of competent jurisdiction.

20.03 Remedies of Lessor are Cumulative. The remedies of the Lessor under this Lease are cumulative and are in addition to any remedies of the Lessor at law or in equity. No remedy will be deemed to be exclusive and the Lessor may from time to time have recourse to one or more of all the available remedies specified herein or at law or in equity.

20.04 Lessee May Perform Covenants. If the Lessor makes default in any of its covenants herein, then the Lessee, without limiting any other remedy which it may have, shall have the right, on reasonable notice, to remedy any such default and for such purpose may at any time enter upon the Leased Premises. In order to cure such default, the Lessee may do all things necessary to cure the default and such things as may be incidental thereto, including, without limitation, the right to make repairs and to expend monies. Without limiting the generality of the foregoing, the Lessee may also make payment to a third party to discharge any lien filed at any time or in connection with any other claim by such party against the Lessor if in the Lessee's judgment the Leased Premises or the Lessor's interest therein becomes liable to any forfeiture or sale or is otherwise in jeopardy. All costs, charges and expenses incurred by the Lessee in remedying any such default or satisfying a lien or other third party claim against the Lessor as referred to above plus ten percent (10%) of same shall immediately become a debt owed by the Lessor to the Lessee and the Lessee shall be entitled to set-off such amount against any payments due by the Lessee to the Lessor hereunder. The Lessee will be under no obligation to remedy any default of the Lessor or make any payment to discharge a lien or satisfy a claim against the Lessor, and will not incur any liability to the Lessor for any action or omission in the course of its remedying or attempting to remedy any such default unless such act amounts to intentional misconduct or gross negligence on the part of the Lessee.

20.05 Rights of Termination of Lessee. In addition to any other rights of termination herein provided, the Lessee may terminate this Lease if and whenever any of the following events of default should occur:

- (a) any operation of the Mill by the Lessor during a period of Shared Usage in a manner contrary to this Lease or applicable legal requirements and industry standards;
- (b) a failure by the Lessor to timely perform any covenant under this Lease or breach of any term;
- (c) if the Lessor makes an assignment for the benefit of creditors or becomes bankrupt or insolvent or takes the benefit of, or becomes subject to any statutes that may be in force relating to bankrupt or insolvent debtors (the appointment of a receiver or receiver and manager of the property and assets of the Lessor being conclusive evidence of insolvency);
- (d) any certificate or order is made or granted for the winding-up or dissolution of the Lessor, voluntarily or otherwise; or

- (e) if the Lessor is determined to have made a material misrepresentation in this Lease or other information supplied to Lessee, governmental or other third parties;

provided that, in the case of an event described in subsections (a) or (b) hereof, Lessor shall have up to thirty (30) days to correct any default which is not of an urgent risk to health or the environment, from the earlier of date that the Lessor first becomes aware of such breach or is notified of such breach by Lessee. Breaches or default of this Lease which pose a risk to health or the environment must be immediately rectified or if that is not possible, continuously and diligently prosecuted until rectification is complete. If Lessee fails to rectify subsections (a) or (b) defaults as aforesaid or breaches or defaults under any of the other subsections above, then at the option of the Lessee, the Lease Term shall become forfeited the Lessee may terminate either the Lessor's right to any further Shared Usage or terminate this Lease, in either case without prejudice to its right to recover from the Lessor damages for losses suffered by reason of the Lessor's default, but without relieving Lessee's obligations on termination hereof.

20.06 Remedies of Lessee are Cumulative. The remedies of the Lessee under this Lease are cumulative and are in addition to any remedies of the Lessee at law or in equity. No remedy will be deemed to be exclusive and the Lessee may from time to time have recourse to one or more of all the available remedies specified herein or at law or in equity.

ARTICLE XXI

CONFIDENTIALITY

21.01 Confidential Information. Each party possesses certain confidential information and trade secrets relating to one or more of its businesses, including but not limited to technologies, technical information, know-how, production processes and procedures, laboratory procedures, designs, development plans, formulae, methodologies, marketing or pricing plans, practices, procedures and strategies, business plans, staffing, sales data and policies, customer lists, customer identities and relationships, costs, supplier lists, supplier identities and relationships, proposals and requests for proposals, computer programs and databases, computer information and software, algorithms, inventions, financial information, information relating to machinery and equipment and any and all other trade secrets and confidential information of every kind and character (collectively, "**Confidential Information**").

21.02 Disclosure and Use of Confidential Information. When a party (the "**Discloser**") discloses to the other party (the "**Recipient**") certain Confidential Information for the purposes set forth herein, whether in written or other tangible form (including on magnetic media) or by oral, visual or other means, the Recipient shall protect such Confidential Information from any use, distribution or disclosure except as permitted herein. Recipient will use the same standard of care as it uses to protect Confidential Information of the Discloser as it uses to protect its own similar confidential and proprietary information, but not less than a reasonable standard of care. Recipient shall use Confidential Information solely in connection with this Lease and for no other purpose. Recipient may provide Confidential Information only to Recipient's employees

who have a substantive need to know such Confidential Information in connection with this Lease, has been advised of the confidential and proprietary nature of such Confidential Information and has agreed with Recipient in writing to protect it from unauthorized disclosure. Recipient may provide Discloser's Confidential Information to Recipient's affiliates, consultants, contractors and agents, subject to on the same basis as for disclosure to its employees. The restrictions herein on the use and disclosure of Confidential Information shall remain in force until such time that such Information meets one of the exceptions set forth in section 21.03 hereof.

21.03 Non-Application of Confidentiality Restrictions. The restrictions of contained herein on the use and disclosure of Confidential Information shall not apply to Confidential Information that was or becomes publicly available without the breach hereof by the Recipient, was in the Recipient's possession free of any obligation of confidence at the time of Discloser's communication thereof to Recipient, is developed by Recipient independently of and without reference to any of Discloser's Confidential Information or other information that Discloser disclosed in confidence to any third party, is rightfully obtained by Recipient from third parties authorized to make such disclosure without restriction or is identified by Discloser as no longer proprietary or confidential or is required to be disclosed to any Governmental Authority or stock exchange.

21.04 Return of Confidential Information. Confidential Information remains at all times the sole and exclusive property of the Discloser. Upon Discloser's request, all or any requested portion of the Confidential Information (including, but not limited to, tangible and electronic copies, notes, summaries or extracts of any Information) shall be promptly returned to the Discloser or destroyed, and the Recipient shall provide the Discloser with certification stating that such Confidential Information has been returned or destroyed.

21.05 No Licences, etc.. No licenses or rights to any of Discloser's Confidential Information or under any patent, copyright, trademark, or trade secret are granted or are to be implied by this Lease.

21.06 Remedies for Unauthorized Use or Disclosure. The parties acknowledge that Confidential Information is unique and valuable, and that disclosure in breach of this Lease could result in irreparable injury to the Discloser. In the event of a breach or threatened breach of confidentiality hereunder, the Discloser shall be entitled to seek specific performance and injunctive or other equitable relief as a remedy for any such breach or threatened breach without the necessity of posting a bond. Any such relief shall be in addition to and not in lieu of any appropriate relief in the way of monetary damages. No forbearance, failure or delay in exercising any right, power or privilege is waiver thereof, nor does any single or partial exercise thereof preclude any other or future exercise thereof, or the exercise of any other right, power or privilege.

ARTICLE XXII

OVERHOLDING

22.01 Overholding. If the Lessee remains in possession of the Leased Premises after the expiration of this Lease and without the execution and delivery of a new lease, the Lessor may re-enter and take possession of the Leased Premises and remove the Lessee therefrom and the Lessor may use such force as it may deem necessary for that purpose without being liable in respect thereof or for any loss or damage occasioned thereby; provided that, while the Lessee remains in possession after the expiration of this Lease, and the Lessor accepts rent and TUPs, the tenancy, in the absence of written agreement, will be from month to month only at a rent per month equal to one and one-half (1.50) times the rent and TUP payable in respect of the month immediately preceding expiration of this Lease, in each case payable in advance on the 1st day of each month and shall be subject to all terms of this Lease, except that the tenancy will be from month to month and a tenancy from year to year will not be created by implication of law. Nothing herein will be deemed to relieve Lessee of its termination obligations.

ARTICLE XXIII

ARBITRATION OF DISPUTES

23.01 Arbitration. If any differences arise between the parties hereto with respect to the interpretation, application or administration of this Lease, or otherwise as to matters or issues herein provided for (a “**Dispute**”), either party may give the other party a written notice demanding arbitration of the Dispute (herein a “**notice to arbitrate**”) in which event the following procedures shall govern the arbitration of the Dispute:

- (a) The parties shall, within 10 days after issuance of a notice to arbitrate, agree upon the appointment of a sole arbitrator who shall determine the dispute having regard to all the provisions of this Lease.
- (b) The arbitration hearing shall be held in the City of Vancouver.
- (c) If within such 10 day period the parties are unable to agree upon the appointment of a sole arbitrator, either party shall be entitled to apply to a court of competent jurisdiction pursuant to *The Arbitration Act* (British Columbia) for the appointment of an arbitrator. Whether an arbitrator is a person mutually agreed upon, or is appointed by such court, such arbitrator shall be chosen on the basis (among others) of his or her knowledge of and experience with the matters and issues in dispute. If, for any reason, the arbitrator resigns, is unable or refuses to act or is removed from office, he or she shall be replaced by another arbitrator appointed by the parties under these procedures and any oral hearings previously held shall be rescheduled.

- (d) Within ten days after the arbitrator is appointed, the arbitrator shall convene a meeting of the parties to reach a consensus, if possible, and to make orders if necessary in respect of the following:
 - (i) the procedures to be followed in the arbitration;
 - (ii) the time periods for taking steps in the proceedings;
 - (iii) the scheduling of any oral hearings or meetings;
 - (iv) any preliminary applications or objections a party may have; and
 - (v) any other matter which will assist the Arbitrator to proceed in an efficient or expeditious manner.
- (e) The parties shall prepare and send to the arbitrator a statement of facts on which they are in agreement within the time specified by the Arbitrator. A copy of all written communications between the arbitrator and a party to this Lease shall be given to the other party concurrently.
- (f) Notwithstanding any other provision of this section, where any party, without sufficient cause, and after five (5) days written notice from the arbitrator, fails to abide by any orders or directions issued by the arbitrator within the required time, the arbitrator may immediately terminate the arbitration proceedings by issuance of a final award against the party who has failed to abide by such order or direction.
- (g) Each party shall allow the other party the necessary access and a reasonable period of time to inspect and take copies of all documents that the other has submitted to the arbitrator or that the arbitrator has ordered to be produced.
- (h) The arbitrator may retain one or more experts to give the arbitrator a written report on specific issues, and for that purpose, require a party to make available relevant documents, goods, or other property for the inspection of such expert.
- (i) All oral hearings and meetings in the arbitration process shall be conducted in private and all written communications and documents in respect of the proceedings shall be kept strictly confidential by the arbitrator and the parties.
- (j) The arbitrator shall not be required to apply the legal rules of evidence and shall determine the relevance and materiality of the evidence presented.

- (k) The arbitrator shall make the final award not later than 30 days after the hearing has been closed, and shall provide a signed copy of the award to each party.
- (l) The decision of the arbitrator shall be binding upon the parties.
- (m) The cost of each arbitration shall be borne equally by the parties unless otherwise determined by the arbitrator.

ARTICLE XXIV

SUBORDINATION

24.01 Subordination. This Lease will be subject, subordinate and postponed to all mortgages (including any deed of trust and mortgage securing bonds and all indentures supplemental thereto) which may now or hereafter charge or affect the Leased Premises or any part thereof and to all renewals, modifications, consolidations, replacements and extensions of such mortgages. The Lessee agrees to execute promptly any document in confirmation of such subordination and postponement which the Lessor may request. The Lessee hereby appoints the Lessor its agent or attorney at its option to execute all documents in confirmation of a subordination of this Lease in favour of a mortgagee including an attornment to a mortgagee. If the Lessor elects not to execute the documents referred to in the previous sentence as agent or attorney of the Lessee and if the Lessee fails to execute them or any of them after being requested by the Lessor, the Lessor may terminate this Lease after the expiration of ten (10) days' notice of its intention to do so because of the Lessee's failure unless within the ten (10) day period the Lessee executes the documents. The Lessee shall, at any time, and from time to time, and whether or not any such mortgagee is in possession of the Leased Premises, attorn to and become the lessee of such mortgagee, or of any purchaser from such mortgagee, or of any agent or receiver appointed by a court of competent jurisdiction or by the mortgagee, or any successor in title to the mortgagee, for the then unexpired residue of the Lease Term, and upon all its terms and conditions.

24.02 Mortgagee's Acknowledgement. The Lessor shall obtain, at its own expense, and deliver to the Lessee an Acknowledgement Agreement, substantially in the form of Schedule D executed from any mortgagee or bondholder which will hold a registered interest against the Leased Premises in priority to the Lease and any modifications thereto.

ARTICLE XXV

REGISTRATION OF LESSEE INTEREST

25.01 Registration. The Lessee shall not register this Lease or any caveat or notice hereof except in such form as has been approved by the Lessor in writing, such approval not to be unreasonably withheld or delayed. The Lessee may not create or register any right-of-way or easement over any portion of the Leased Premises except in connection with the Access Road.

The cost of preparation, approval, execution and registration of any notice or short form of this Lease or other document to be registered by the Lessee shall be borne by the Lessee and, in the case of the Lessor's approval, such cost shall be payable, forthwith upon demand. If the Lessee registers any short form or notice of this Lease or other document, the Lessee shall forthwith provide to the Lessor details of such registration and a duplicate registered copy of the registered document. Prior to the expiry or earlier termination of this Lease, the Lessee shall, at its sole cost and expense, arrange to expunge or discharge any registered interest of the Lessee therein.

25.02 Leasehold Title. The Lessee may, at its own expense, register this Lease for the purpose of obtaining a certificate of title for a leasehold interest in the Leased Premises in accordance with *The Real Property Act* (Manitoba) in any real property interests of the Lessor comprising the Leased Premises. The Lessor shall provide the Lessee or others with any and all documents required from the Lessor to allow for such registration of the leasehold interest. Upon termination of the Lease, the Lessee shall provide the Lessor or others with any and all documents required from the Lessee to cancel any certificate of title for such leasehold interest. The Lessee shall have the right without the consent of the Lessor to mortgage (by assignment or sublease) the leasehold estate created hereby to a major financial institution or life insurance company and to extend, modify, renew, or replace any such mortgage; provided that the mortgagee continues to be a major financial institution or life insurance company. The Lessor agrees that such mortgagee will only become liable on the Lessee's covenants hereunder if and so long as the mortgagee takes and remains in possession of the Leased Premises, but not thereafter.

ARTICLE XXVI

MISCELLANEOUS

26.01 Waiver. No waiver of any default will be binding unless acknowledged in writing by the Lessor.

26.02 Condoning. Any condoning, excusing or overlooking by the Lessor of any default will not operate as a waiver of the Lessor's rights hereunder in respect of any subsequent default.

26.03 GST. All amounts due to the Lessor hereunder are quoted net of Canadian federal goods and services taxes ("GST") and Lessee is required to add GST and any other applicable value-added or other buyer's tax to such amounts.

26.04 Force Majeure. If either the Lessor or the Lessee is delayed, hindered or prevented from the performance of any covenant or agreement required hereunder by reason of Force Majeure, then performance of such covenant or agreement shall be excused for the period during which such performance is delayed, hindered or prevented and the time for the performance thereof shall be extended accordingly, but this shall not operate to excuse the Lessee from the prompt payment of rent or a TUP payable hereunder.

26.05 No Encumbrances. The Lessee shall not, at any time before or during the Term or any renewal thereof, have the right to pledge, mortgage or otherwise encumber the Mill or any other part of the Leased Premises and shall not permit any liens, encumbrances or work orders to exist with respect to the Leased Premises or which impair title to the Leased Premises.

26.06 Severability. If any provision of this Lease is illegal or invalid or unenforceable at law it will be deemed to be severed from this Lease and the remaining provisions will nevertheless continue to be in full force and effect.

26.07 Headings. All headings in this Lease are inserted for convenience of reference only and will not affect the construction and interpretation of this Lease.

26.08 Representations and Entire Agreement. The Lessee acknowledges and agrees that the Lessor has made no representations, covenants, warranties, guarantees, promises or agreements (verbal or otherwise) with the Lessee other than those contained in this Lease; that no agreement collateral hereto will be binding upon the Lessor unless made in writing and signed by the Lessor; and, that this Lease constitutes the entire agreement between the Lessor and Lessee with respect to the subject matter hereof.

26.09 Notices. Any notice, or request or demand herein provided or permitted to be given hereunder, shall be sufficiently given if personally served or mailed by registered mail as follows:

(a) to the Lessor:

CaNickel Mining Limited
999 W. Hastings Street
Suite 1655
Vancouver, BC V6C 2W2
Attention: CEO

(b) to the Lessee:

Norvista Capital Corporation
Suite 1660-141 Adelaide Street West
Toronto, ON M5H 3L5
Attention: CEO

Any notice mailed as aforesaid shall for the purposes of this Lease be presumed to have been given three (3) business days following the day on which such notice is delivered or mailed as aforesaid. Provided that, in the event of any actual or imminent postal disruption, notices shall be delivered to the appropriate party and not sent by mail. Any party may at any time give notice in writing to the others of any change of address, and after the giving of such notice the address

therein specified will be deemed to be the address of such party for the purpose of giving notices hereunder.

26.10 Time of Essence. Time will be of the essence of this Lease.

26.11 Relationship. Nothing herein contained will at any time create or be construed as creating a joint venture, partnership or relationship between the parties other than that of Lessor and Lessee.

26.12 Governing Law. This Lease will be construed and governed by the laws of the Province of Manitoba.

26.13 Gender. Words in the singular will include the plural and words in the masculine gender will include feminine and neuter genders where the context so requires.

26.14 Currency. All dollar amounts in this Lease are expressed in Canadian dollars.

26.15 Enurement. This Lease and everything herein contained will enure to the benefit of and be binding upon the parties hereto and each of their respective successors and permitted assigns.

26.16 Counterparts. This Lease may be executed in any number of counterparts. Each executed counterpart shall be deemed to be an original. All executed counterparts taken together shall constitute one agreement. To evidence execution of this Lease, a party may send a copy of its executed counterpart to all the other parties by facsimile transmission.

IN WITNESS WHEREOF the parties have executed this Lease the 8th day of February, 2018.

CaNICKEL MINING LIMITED

Per:  (Kevin Zhu)

Per: _____

NORVISTA CAPITAL CORPORATION.

Per: _____

Per: _____

Schedule "A" - Leased Premises Description

Leased Premises means:

That portion of the Bucko Lake Mine comprising the Mill, TSF, all surface area relating thereto held by the Lessor (including those surface rights granted to the Lessor under Manitoba Mineral Lease ML-31 and Manitoba Surface Lease M154-SL and being located in Lot 2442 in Group 422 as shown on the Director of Surveys Plan 19636) including related access and egress ways, and all equipment and personal property situated thereon all as described below in this Schedule "A" hereto, but excludes those areas and assets described in Schedule "B"

List of Principal Equipment included in the Lease Premises:

- Mill building with accessories
- Jaw crusher with accessories
- Con crusher with accessories
- Conveyor galleries with accessories
- Coarse ore bin with accessories and discharge chute
- 9 ft diameter x 15 ft long rod mill with 450 hp motor and accessories.
- 15 ft diameter x 21 ft long regrind ball mill with 1250hp motor
- 35 metric tonne and 5 metric tonne overhead crane
- 18 ft diameter concentrate thickener
- 300 cubic ft and 50 cubic ft Denver flotation cells with accessories
- Sala scalping screen with accessories
- Flotation conditioning tank with mechanism and accessories
- Maxwell Rougher flotation cells
- Concentrate storage tank
- 40 ft diameter water storage tank
- 5 ft x 16 ft air receiver
- Electrical power supply and distribution equipment inside MCC
- 20 inch diameter Krebs cyclone cluster.
- Miscellaneous items: samplers, mixer, pumpboxes, etc.
- A 2000kW, 4.16 kV, emergency diesel generator
- Larox PF 16/25 press filter
- Laboratory equipment
- Tailings transport pipeline and water return pipeline
- Tailings pumps

Buildings included in the Lease Premises:

- Mill building.
- Crusher building.
- Electrical Power Supply substation.
- Electrical motor control center (part of mill building)
- Laboratory (part of the mill building).
- Water treatment plant.

- Shared usage of access road to Leased Premises to the extent Lessor has rights to the road.
- Mine Site Entrance/Guardhouse.
- Lay Down Area.
- Tailings management area.

Schedule “B” - Bucko Lake Mine Property Excluded from Leased Premises

The Leased Premises excludes the surface area and any equipment and facilities which are part of the underground of Bucko Lake Mine and areas immediately surrounding the mine portal, any Final Discharge Point associated with the operation of the Bucko Lake Mine or the ITSF, together with the ITSF and all real property, equipment and other personal property directly associated with the Bucko Lake Mine as itemized below:

Excluded rights, equipment and facilities

- Mine office.
- Hoist room and mine headframe.
- Mine mobile equipment workshop.
- Mine main warehouse
- All mobile equipment.
- Camp.
- All underground facilities.
- Geology core shack.
- Underground backfill station attached to mill building
- All mineral title interests
- All mine and mill operating permits, and other governmental authorizations except as otherwise agreed by Lessor in writing
- Title to all accounting, legal, construction and operating records and manuals (although copies may be taken) located at the site.

Schedule “C” - Form of Environmental Indemnity Agreement

ENVIRONMENTAL INDEMNITY AGREEMENT made as of this 8th day of February, 2018,

BETWEEN:

CaNICKEL MINING LIMITED,

(“CaNickel”)

OF THE FIRST PART,

and

NORVISTA CAPITAL CORPORATION,

(“Norvista”)

OF THE SECOND PART.

WHEREAS CaNickel and Norvista entered into a lease relating to the use by Norvista of an ore mill and related facilities at CaNickel’s Bucko Lake Mine in Manitoba dated the date hereof (the “**Lease**”) and have agreed each to indemnify the other with respect to certain environmental matters relating to activities carried out under the terms of the Lease as set forth herein;

NOW THEREFORE IN CONSIDERATION of the obligations set out in the Lease and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE 1 - General Matters

1.1 All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Lease.

1.2 The “**Existing Environmental Condition of the Leased Premises**” shall be as established pursuant to section 8.03 of the Lease.

ARTICLE 2 - CaNickel’s Covenants

2.1 Except as limited by the Lease, CaNickel shall indemnify and save harmless Norvista and its officers, directors, shareholders, employees and agents from and against any and all expenses that Norvista and its officers, directors, shareholders, employees and agents may incur and from any judgments, damages, liabilities, costs, charges, interest, penalties, fines, monetary sanctions

and expenses incurred or suffered in respect of, or for which Norvista becomes liable as a consequence of in relation to or arising out of:

- (a) the Existing Environmental Condition of the Leased Premises, excluding any claims to the extent they arise out of any deterioration, aggravation or exacerbation of the Existing Environmental Condition after the date hereof caused directly or indirectly by Norvista's acts or omissions or resulting from Norvista's occupation or use of the Leased Premises (including claims arising out of Norvista's acts which were in compliance with the Lease);
- (b) any Claim against Norvista arising out of CaNickel's acts or omissions during CaNickel's use or occupation of the Leased Premises under Shared Usage or otherwise (including claims made even if CaNickel is in compliance with the Lease); and
- (c) any failure on the part of CaNickel during the Lease Term to comply with Environmental Laws or Environmental Permits (except to the extent that such failure to comply is caused, directly or indirectly, by Norvista or its officers, directors, employees, contractors or invitees);

including, without limiting the generality of the foregoing, the following:

- (d) any amount paid to settle or satisfy a Claim that Norvista is required to pay to any person or Governmental Authority;
- (e) any and all legal expenses (on a solicitor and own client basis), costs, charges, consultants' fees and other expenses incurred from time to time in the course of defending, appealing or challenging any such Claim; and
- (f) any and all costs, charges and expenses incurred where Norvista is not successful in defending, appealing, or challenging, such Claim or where such Claim is never brought to trial, hearing, or before any board or tribunal, or judgment, or where same is rescinded or removed.

CaNickel shall seek the approval of the Court or other applicable authority, official or tribunal, if required, to the indemnification of Norvista, as provided in this Indemnity Agreement.

2.2 If any third party shall notify Norvista with respect to any Claim or matter which may give rise to a Claim for indemnification pursuant to this section 2, then Norvista shall promptly notify CaNickel thereof in writing. CaNickel, at its sole cost and expense, shall have the right to defend Norvista against the claim or matter with counsel of its choice reasonably satisfactory to Norvista so long as:

- (a) CaNickel notifies Norvista in writing within ten (10) days after Norvista has given notice of the Claim or matter that CaNickel will indemnify Norvista from and against the Claim or matter; and

- (b) the Claim or matter involves only money damages and does not seek an injunction or other equitable relief; and
- (c) CaNickel conducts the defense of the Claim or matter actively and diligently.

2.3 So long as CaNickel is conducting the defense of the Claim or matter in accordance with this section:

- (a) Norvista may retain separate co-counsel at its sole cost and expense and participate in the defense of the Claim or matter;
- (b) Norvista shall not consent to the entry of any judgment or enter into any settlement with respect to the Claim or matter without the prior written consent of CaNickel (such consent not to be withheld unreasonably); and
- (c) Norvista will not consent to the entry of any judgment or enter into any settlement with respect to the Claim or matter without the prior written consent of CaNickel, such consent not to be withheld unreasonably and such consent not to be withheld at all if the judgment or settlement contains a full release reasonably satisfactory to Norvista.

2.4 In the event any of the foregoing conditions is or becomes unsatisfied:

- (a) Norvista may defend against, and consent to the entry of any judgment or enter into any settlement with respect to, the Claim or matter in any manner it reasonably may deem appropriate (and Norvista need not consult with, or obtain any consent from, CaNickel in connection therewith);
- (b) CaNickel shall reimburse Norvista promptly and periodically for the costs of defending against the Claim or matter (including reasonable legal fees and expenses); and
- (c) CaNickel shall remain responsible for all damages, liabilities, claims, costs and expenses Norvista may suffer resulting from, arising out of, relating to or caused by the Claim or matter to the fullest extent provided in this Indemnity Agreement.

2.5 The aforesaid consideration paid to Norvista is not to be deemed in any way to be an admission of liability on the part of either Norvista or CaNickel.

2.6 CaNickel shall not make any claim or take any proceedings under the provisions of any statute, contract, or otherwise against any other person, firm or corporation who may claim any contribution or indemnification from Norvista which would have the effect of negating the effect of the within indemnity, unless Norvista first agrees, in writing, to such claim.

2.7 CaNickel hereby represents and warrants that the execution and delivery of this Indemnity Agreement has been duly authorized by CaNickel and that it has full power and authority to execute and deliver this Indemnity Agreement.

ARTICLE 3 - Norvista's Covenants

3.1 Except as limited by the Lease, Norvista shall indemnify and save harmless CaNickel and its officers, directors, shareholders, employees and agents from and against any and all expenses that CaNickel and its officers, directors, shareholders, employees and agents may incur and from any judgments, damages, liabilities, costs, charges, interest, penalties, fines, monetary sanctions and expenses incurred or suffered in respect of, or for which CaNickel becomes liable as a consequence of in relation to or arising out of:

- (a) any Claim against CaNickel arising out of Norvista's acts or omissions relating to its occupation, use or operation of the Leased Premises (including claims made even if Norvista is in compliance with the Lease) or against any of CaNickel's officers, directors, employees, shareholders, creditors contractors or invitees in connection with any occupation, use or operation by Norvista of the Leased Premises;
- (b) any failure on the part of Norvista or its officers, directors, employees, contractors or invitees during the Lease Term to comply with Environmental Laws or Environmental Permits (except to the extent that such failure to comply is caused, directly or indirectly, by CaNickel or its officers, directors, employees, contractors or invitees);
- (c) any Claim relating to any Hazardous Substance brought on to the Leased Premises by Norvista or its officers, directors, employees, contractors or invitees,

including, without limiting the generality of the foregoing, the following:

- (d) any amount paid to settle or satisfy a Claim that CaNickel is required to pay to any person or Governmental Authority,
- (e) any and all legal expenses (on a solicitor and own client basis), costs, charges, consultants' fees and other expenses incurred from time to time in the course of defending, appealing or challenging any such Claim; and
- (f) any and all costs, charges and expenses incurred where CaNickel is not successful in defending, appealing, or challenging, such Claim or where such Claim is never brought to trial, hearing, or before any board or tribunal, or judgment, or where same is rescinded or removed

Norvista shall seek the approval of the Court or other applicable authority, official or tribunal, if required, to the indemnification of CaNickel, as provided in this Indemnity Agreement.

3.2 If any third party shall notify CaNickel with respect to any Claim or matter which may give rise to a claim for indemnification pursuant to this section 3, then CaNickel shall promptly notify Norvista thereof in writing. Norvista, at its sole cost and expense, shall have the right to defend CaNickel against the Claim or matter with counsel of its choice reasonably satisfactory to CaNickel so long as:

- (a) Norvista notifies CaNickel in writing within ten (10) days after CaNickel has given notice of the Claim or matter that Norvista shall indemnify CaNickel from and against the Claim or matter; and
- (b) the Claim or matter involves only money damages and does not seek an injunction or other equitable relief; and
- (c) Norvista conducts the defense of the Claim or matter actively and diligently.

3.3 So long as Norvista is conducting the defense of the Claim or matter in accordance with this Section:

- (a) CaNickel may retain separate co-counsel at its sole cost and expense and participate in the defense of the Claim or matter;
- (b) CaNickel shall not consent to the entry of any judgment or enter into any settlement with respect to the Claim or matter without the prior written consent of Norvista (such consent not to be withheld unreasonably); and
- (c) CaNickel shall not consent to the entry of any judgment or enter into any settlement with respect to the Claim or matter without the prior written consent of Norvista, such consent not to be withheld unreasonably and such consent not to be withheld at all if the judgment or settlement contains a full release reasonably satisfactory to CaNickel.

3.4 In the event any of the foregoing conditions is or becomes unsatisfied:

- (a) CaNickel may defend against, and consent to the entry of any judgment or enter into any settlement with respect to, the Claim or matter in any manner it reasonably may deem appropriate (and CaNickel need not consult with, or obtain any consent from, Norvista in connection therewith);
- (b) Norvista shall reimburse CaNickel promptly and periodically for the costs of defending against the Claim or matter (including reasonable legal fees and expenses); and
- (c) Norvista shall remain responsible for all damages, liabilities, claims, costs and expenses CaNickel may suffer resulting from, arising out of, relating to or caused by the Claim or matter to the fullest extent provided in this Indemnity Agreement.

3.5 The aforesaid consideration paid to CaNickel is not to be deemed in any way to be an admission of liability on the part of either Norvista or CaNickel.

3.6 Norvista shall not make any claim or take any proceedings under the provisions of any statute, contract, or otherwise against any other person, firm or corporation who may claim any contribution or indemnification from CaNickel which would have the effect of negating the effect of the within indemnity, unless CaNickel first agrees, in writing, to such claim.

3.7 Norvista hereby represents and warrants that the execution and delivery of this Indemnity Agreement has been duly authorized by Norvista and that it has full power and authority to execute and deliver this Indemnity Agreement.

ARTICLE 4 - Miscellaneous

4.1 This Indemnity Agreement and the Lease together shall be considered by the parties to be an apportionment agreement within the meaning of section 22 of The Contaminated Sites Remediation Act, S.M. 1996, c. 40, as it may be amended from time to time.

4.2 All matters or actions relating to or giving rise to this Indemnity Agreement or arising out of this Indemnity Agreement are governed by and subject to the laws of the Province of Manitoba and the Courts of the Province of Manitoba have exclusive jurisdiction in all matters relating hereto.

4.3 Any notice, or request or demand herein provided or permitted to be given hereunder, shall be sufficiently given if personally served or mailed by registered mail as follows:

to CaNickel:

999 W. Hastings Street
Suite 1655
Vancouver, BC V6C 2W2

to Norvista:

Suite 1660-141 Adelaide Street West
Toronto, ON M5H 3L5

Any notice mailed as aforesaid shall for the purposes of this Lease be presumed to have been given three (3) business days following the day on which such notice is delivered or mailed as aforesaid. Provided that, in the event of any actual or imminent postal disruption, notices shall be delivered to the appropriate party and not sent by mail. Any party may at any time give notice in writing to the others of any change of address, and after the giving of such notice the address therein specified will be deemed to be the address of such party for the purpose of giving notices hereunder.

4.4 This Indemnity Agreement is personal to the parties and neither the rights nor the obligations of any party under this Indemnity Agreement may be assigned to any other person, except with the prior written consent of the other party, and no assignment made without the consent of the other party shall relieve a party of its obligations under this Indemnity Agreement.

4.5 This Indemnity Agreement shall be binding upon CaNickel and Norvista and all of their successors, permitted assigns and successors in interest and inures to the benefit of the parties hereto and all of their successors and permitted assigns and shall survive any termination of the Lease, anything in this Indemnity Agreement or the Lease to the contrary.

4.6 This Indemnity Agreement may be executed in counterparts and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Indemnity Agreement by electronic means, including, without limitation, by facsimile transmission or by electronic delivery in portable document format (".pdf") or tagged image file format (".tif"), shall be equally effective as delivery of a manually executed counterpart hereof.

DATED this 8th day of February, 2018.

CaNICKEL MINING LIMITED

By: _____
Name: _____
Title: _____

NORVISTA CAPITAL CORPORATION

By: _____
Name: _____
Title: _____

Schedule “D” - Form of Lender’s Controlling Shareholder Undertaking

LENDER’S CONTROLLING SHAREHOLDER UNDERTAKING

This Lender’s Controlling Shareholder Undertaking Agreement made the 8th day of February, 2018 among:

Liu, Wenfeng, businessman (the “**Controlling Shareholder**”)

and

Norvista Capital Corporation (the “**Lessee**”)

and

CaNickel Mining Limited (the “**Lessor**”)

WHEREAS:

- A. Lessor is a subsidiary of Hebei Wenfeng Industrial Group Ltd, (“Lender”) and is indebted to Lender for demand loans and advances made by Lender to-date and as such amounts may increase or decrease in future (“**Indebtedness**”);
- B. Controlling Shareholder is together with his affiliates and associates or others with whom he acts in concert, the legal or effective beneficial controlling shareholder of Lender; and
- C. Lessor is the owner of the Bucko Lake Mine, elements of which it has agreed to lease to Lessee under a Mineral Processing Facilities Lease dated the date hereof (the “**Lease**”) to which a form of this Agreement is a Schedule.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the sum of \$10 of lawful money of Canada now paid by each party to the other (the receipt and sufficiency of which is hereby acknowledged) the parties agree as follows:

- 1. Any capitalized term used herein that is otherwise not defined herein shall have the meaning granted to it in the Lease.
- 2. Controlling Shareholder represents and warrants that he, alone or together with his affiliates , associates and persons with whom he acts in concert, is the controlling shareholder of Lender. Controlling Shareholder further represents and warrants that Lender has not assigned its interest in the Indebtedness and that the Indebtedness is not in default as of the date hereof.

3. Controlling Shareholder hereby undertakes and agrees that if the Lender seeks to enforce or realize upon the Indebtedness, Controlling Shareholder shall ensure, by use of his controlling shareholdings of Lender or otherwise, that Lender's realization actions shall neither challenge the Lease nor otherwise prejudice the Lessee's rights under the Lease. For avoidance of doubt, no covenant is hereby given or implied that either Controlling Shareholder or the Lender are obligated to cause Lessor to perform its obligations under the Lease. In particular, Controlling Shareholder agrees for himself and his heirs, personal representatives and assigns that any enforcement or realization proceedings which Lender elects to take in respect of the Indebtedness will not prejudice, abrogate or impinge right, title or interest Lessee has in respect of the Lease.
4. Controlling Shareholder further agrees for himself and his heirs, personal representatives and assigns that so long as Lender holds voting shares (the "**Shares**") in the capital of the Lessor or any successor, Lender shall not vote its Shares to authorize or approve any transaction where the Lessee's rights under the Lease would be prejudiced, abrogated or impinged and will vote its Shares to elect as directors of Lessor persons that the Lender reasonably believes will cause Lessor to honour its obligations under the Lease.
5. Controlling Shareholder will not sell or assign such number of his shares in Lender as would result in him ceasing to be the Lender's controlling shareholder (by share voting control, agreement with other voting shareholders or otherwise) without making any buyer of the shares or other transferee of the shares first agree to honour the terms hereof for the duration of the Lease. The Controlling Shareholder will procure that the Lender will not assign its interests in the Indebtedness in whole or in part except to a party which agrees in writing with the Lessee to restrict such party's rights to enforce the Indebtedness as herein provided.
6. Nothing herein restricts the right of the Lender to secure or enforce the Indebtedness, sell or assign its interest in the Indebtedness or for the Controlling Shareholder to sell or pledge a number of his shares sufficient to constitute control of Lender to a third party provided that such that agrees in writing with the Lessee to the enforcement and realization restrictions herein. Lender may secure the Indebtedness with a mortgage or other registered charge in its discretion.
7. The Controlling Shareholder agrees that this Agreement has been executed and delivered by him in return for valuable consideration. The Controlling Shareholder represents to Lessee that he has full authority to enter into this Agreement and that he currently owns or effectively controls, a controlling interest in the voting securities of the Lender and therefore also indirectly owns or controls, a controlling interest in the voting securities of the Lessor.
8. The term of this Agreement is for the term of the Mineral Processing Facilities Lease.
9. This Agreement shall be governed by and construed in accordance with the laws of the Province of Manitoba and the parties hereby attorn to the jurisdiction of such province in the event of proceedings hereunder.

10. This Agreement shall be binding on, and enure to the benefit of, the parties hereto and their respective successors and assigns. The Lessee shall assign its rights herein to any party which takes an assignment of the Lessee's rights in the Lease.
11. This Agreement may be executed in counterparts and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Agreement by electronic means, including, without limitation, by facsimile transmission or by electronic delivery in portable document format (".pdf") or tagged image file format (".tif"), shall be equally effective as delivery of a manually executed counterpart hereof.

IN WITNESS WHEREOF the parties have executed this Agreement on the 8th day of February, 2018.

Liu, Wenfeng

(signed) _____

CaNickel Mining Limited

Per: _____

Norvista Capital Corporation

Per: _____

SCHEDULE "F"

EXISTING ENVIRONMENTAL INDEMNITY

[see following page]

ENVIRONMENTAL INDEMNITY AGREEMENT made as of this 8th day of February, 2018,

BETWEEN:

CaNICKEL MINING LIMITED,

(“CaNickel”)

OF THE FIRST PART,

and

NORVISTA CAPITAL CORPORATION,

(“Norvista”)

OF THE SECOND PART.

WHEREAS CaNickel and Norvista entered into a lease relating to the use by Norvista of an ore mill and related facilities at CaNickel’s Bucko Lake Mine in Manitoba dated the date hereof (the “Lease”) and have agreed each to indemnify the other with respect to certain environmental matters relating to activities carried out under the terms of the Lease as set forth herein;

NOW THEREFORE IN CONSIDERATION of the obligations set out in the Lease and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE 1 - General Matters

1.1 All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Lease.

1.2 The “Existing Environmental Condition of the Leased Premises” shall be as established pursuant to section 8.03 of the Lease.

ARTICLE 2 - CaNickel’s Covenants

2.1 Except as limited by the Lease, CaNickel shall indemnify and save harmless Norvista and its officers, directors, shareholders, employees and agents from and against any and all expenses that Norvista and its officers, directors, shareholders, employees and agents may incur and from any judgments, damages, liabilities, costs, charges, interest, penalties, fines, monetary sanctions

and expenses incurred or suffered in respect of, or for which Norvista becomes liable as a consequence of in relation to or arising out of:

- (a) the Existing Environmental Condition of the Leased Premises, excluding any claims to the extent they arise out of any deterioration, aggravation or exacerbation of the Existing Environmental Condition after the date hereof caused directly or indirectly by Norvista's acts or omissions or resulting from Norvista's occupation or use of the Leased Premises (including claims arising out of Norvista's acts which were in compliance with the Lease);
- (b) any Claim against Norvista arising out of CaNickel's acts or omissions during CaNickel's use or occupation of the Leased Premises under Shared Usage or otherwise (including claims made even if CaNickel is in compliance with the Lease); and
- (c) any failure on the part of CaNickel during the Lease Term to comply with Environmental Laws or Environmental Permits (except to the extent that such failure to comply is caused, directly or indirectly, by Norvista or its officers, directors, employees, contractors or invitees);

including, without limiting the generality of the foregoing, the following:

- (d) any amount paid to settle or satisfy a Claim that Norvista is required to pay to any person or Governmental Authority;
- (e) any and all legal expenses (on a solicitor and own client basis), costs, charges, consultants' fees and other expenses incurred from time to time in the course of defending, appealing or challenging any such Claim; and
- (f) any and all costs, charges and expenses incurred where Norvista is not successful in defending, appealing, or challenging, such Claim or where such Claim is never brought to trial, hearing, or before any board or tribunal, or judgment, or where same is rescinded or removed.

CaNickel shall seek the approval of the Court or other applicable authority, official or tribunal, if required, to the indemnification of Norvista, as provided in this Indemnity Agreement.

2.2 If any third party shall notify Norvista with respect to any Claim or matter which may give rise to a Claim for indemnification pursuant to this section 2, then Norvista shall promptly notify CaNickel thereof in writing. CaNickel, at its sole cost and expense, shall have the right to defend Norvista against the claim or matter with counsel of its choice reasonably satisfactory to Norvista so long as:

- (a) CaNickel notifies Norvista in writing within ten (10) days after Norvista has given notice of the Claim or matter that CaNickel will indemnify Norvista from and against the Claim or matter; and

- (b) the Claim or matter involves only money damages and does not seek an injunction or other equitable relief; and
- (c) CaNickel conducts the defense of the Claim or matter actively and diligently.

2.3 So long as CaNickel is conducting the defense of the Claim or matter in accordance with this section:

- (a) Norvista may retain separate co-counsel at its sole cost and expense and participate in the defense of the Claim or matter;
- (b) Norvista shall not consent to the entry of any judgment or enter into any settlement with respect to the Claim or matter without the prior written consent of CaNickel (such consent not to be withheld unreasonably); and
- (c) Norvista will not consent to the entry of any judgment or enter into any settlement with respect to the Claim or matter without the prior written consent of CaNickel, such consent not to be withheld unreasonably and such consent not to be withheld at all if the judgment or settlement contains a full release reasonably satisfactory to Norvista.

2.4 In the event any of the foregoing conditions is or becomes unsatisfied:

- (a) Norvista may defend against, and consent to the entry of any judgment or enter into any settlement with respect to, the Claim or matter in any manner it reasonably may deem appropriate (and Norvista need not consult with, or obtain any consent from, CaNickel in connection therewith);
- (b) CaNickel shall reimburse Norvista promptly and periodically for the costs of defending against the Claim or matter (including reasonable legal fees and expenses); and
- (c) CaNickel shall remain responsible for all damages, liabilities, claims, costs and expenses Norvista may suffer resulting from, arising out of, relating to or caused by the Claim or matter to the fullest extent provided in this Indemnity Agreement.

2.5 The aforesaid consideration paid to Norvista is not to be deemed in any way to be an admission of liability on the part of either Norvista or CaNickel.

2.6 CaNickel shall not make any claim or take any proceedings under the provisions of any statute, contract, or otherwise against any other person, firm or corporation who may claim any contribution or indemnification from Norvista which would have the effect of negating the effect of the within indemnity, unless Norvista first agrees, in writing, to such claim.

2.7 CaNickel hereby represents and warrants that the execution and delivery of this Indemnity Agreement has been duly authorized by CaNickel and that it has full power and authority to execute and deliver this Indemnity Agreement.

ARTICLE 3 - Norvista's Covenants

3.1 Except as limited by the Lease, Norvista shall indemnify and save harmless CaNickel and its officers, directors, shareholders, employees and agents from and against any and all expenses that CaNickel and its officers, directors, shareholders, employees and agents may incur and from any judgments, damages, liabilities, costs, charges, interest, penalties, fines, monetary sanctions and expenses incurred or suffered in respect of, or for which CaNickel becomes liable as a consequence of in relation to or arising out of:

- (a) any Claim against CaNickel arising out of Norvista's acts or omissions relating to its occupation, use or operation of the Leased Premises (including claims made even if Norvista is in compliance with the Lease) or against any of CaNickel's officers, directors, employees, shareholders, creditors, contractors or invitees in connection with any occupation, use or operation by Norvista of the Leased Premises;
- (b) any failure on the part of Norvista or its officers, directors, employees, contractors or invitees during the Lease Term to comply with Environmental Laws or Environmental Permits (except to the extent that such failure to comply is caused, directly or indirectly, by CaNickel or its officers, directors, employees, contractors or invitees);
- (c) any Claim relating to any Hazardous Substance brought on to the Leased Premises by Norvista or its officers, directors, employees, contractors or invitees,

including, without limiting the generality of the foregoing, the following:

- (d) any amount paid to settle or satisfy a Claim that CaNickel is required to pay to any person or Governmental Authority,
- (e) any and all legal expenses (on a solicitor and own client basis), costs, charges, consultants' fees and other expenses incurred from time to time in the course of defending, appealing or challenging any such Claim; and
- (f) any and all costs, charges and expenses incurred where CaNickel is not successful in defending, appealing, or challenging, such Claim or where such Claim is never brought to trial, hearing, or before any board or tribunal, or judgment, or where same is rescinded or removed

Norvista shall seek the approval of the Court or other applicable authority, official or tribunal, if required, to the indemnification of CaNickel, as provided in this Indemnity Agreement.

3.2 If any third party shall notify CaNickel with respect to any Claim or matter which may give rise to a claim for indemnification pursuant to this section 3, then CaNickel shall promptly notify Norvista thereof in writing. Norvista, at its sole cost and expense, shall have the right to defend CaNickel against the Claim or matter with counsel of its choice reasonably satisfactory to CaNickel so long as:

- (a) Norvista notifies CaNickel in writing within ten (10) days after CaNickel has given notice of the Claim or matter that Norvista shall indemnify CaNickel from and against the Claim or matter; and
- (b) the Claim or matter involves only money damages and does not seek an injunction or other equitable relief; and
- (c) Norvista conducts the defense of the Claim or matter actively and diligently.

3.3 So long as Norvista is conducting the defense of the Claim or matter in accordance with this Section:

- (a) CaNickel may retain separate co-counsel at its sole cost and expense and participate in the defense of the Claim or matter;
- (b) CaNickel shall not consent to the entry of any judgment or enter into any settlement with respect to the Claim or matter without the prior written consent of Norvista (such consent not to be withheld unreasonably); and
- (c) CaNickel shall not consent to the entry of any judgment or enter into any settlement with respect to the Claim or matter without the prior written consent of Norvista, such consent not to be withheld unreasonably and such consent not to be withheld at all if the judgment or settlement contains a full release reasonably satisfactory to CaNickel.

3.4 In the event any of the foregoing conditions is or becomes unsatisfied:

- (a) CaNickel may defend against, and consent to the entry of any judgment or enter into any settlement with respect to, the Claim or matter in any manner it reasonably may deem appropriate (and CaNickel need not consult with, or obtain any consent from, Norvista in connection therewith);
- (b) Norvista shall reimburse CaNickel promptly and periodically for the costs of defending against the Claim or matter (including reasonable legal fees and expenses); and
- (c) Norvista shall remain responsible for all damages, liabilities, claims, costs and expenses CaNickel may suffer resulting from, arising out of, relating to or caused by the Claim or matter to the fullest extent provided in this Indemnity Agreement.

3.5 The aforesaid consideration paid to CaNickel is not to be deemed in any way to be an admission of liability on the part of either Norvista or CaNickel.

3.6 Norvista shall not make any claim or take any proceedings under the provisions of any statute, contract, or otherwise against any other person, firm or corporation who may claim any contribution or indemnification from CaNickel which would have the effect of negating the effect of the within indemnity, unless CaNickel first agrees, in writing, to such claim.

3.7 Norvista hereby represents and warrants that the execution and delivery of this Indemnity Agreement has been duly authorized by Norvista and that it has full power and authority to execute and deliver this Indemnity Agreement.

ARTICLE 4 - Miscellaneous

4.1 This Indemnity Agreement and the Lease together shall be considered by the parties to be an apportionment agreement within the meaning of section 22 of The Contaminated Sites Remediation Act, S.M. 1996, c. 40, as it may be amended from time to time.

4.2 All matters or actions relating to or giving rise to this Indemnity Agreement or arising out of this Indemnity Agreement are governed by and subject to the laws of the Province of Manitoba and the Courts of the Province of Manitoba have exclusive jurisdiction in all matters relating hereto.

4.3 Any notice, or request or demand herein provided or permitted to be given hereunder, shall be sufficiently given if personally served or mailed by registered mail as follows:

to CaNickel:

999 W. Hastings Street
Suite 1655
Vancouver, BC V6C 2W2

to Norvista:

Suite 1660-141 Adelaide Street West
Toronto, ON M5H 3L5

Any notice mailed as aforesaid shall for the purposes of this Lease be presumed to have been given three (3) business days following the day on which such notice is delivered or mailed as aforesaid. Provided that, in the event of any actual or imminent postal disruption, notices shall be delivered to the appropriate party and not sent by mail. Any party may at any time give notice in writing to the others of any change of address, and after the giving of such notice the address therein specified will be deemed to be the address of such party for the purpose of giving notices hereunder.

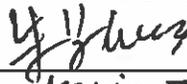
4.4 This Indemnity Agreement is personal to the parties and neither the rights nor the obligations of any party under this Indemnity Agreement may be assigned to any other person, except with the prior written consent of the other party, and no assignment made without the consent of the other party shall relieve a party of its obligations under this Indemnity Agreement.

4.5 This Indemnity Agreement shall be binding upon CaNickel and Norvista and all of their successors, permitted assigns and successors in interest and inures to the benefit of the parties hereto and all of their successors and permitted assigns and shall survive any termination of the Lease, anything in this Indemnity Agreement or the Lease to the contrary.

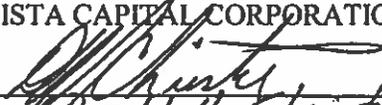
4.6 This Indemnity Agreement may be executed in counterparts and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Indemnity Agreement by electronic means, including, without limitation, by facsimile transmission or by electronic delivery in portable document format (".pdf") or tagged image file format (".tif"), shall be equally effective as delivery of a manually executed counterpart hereof.

DATED this 8th day of February, 2018.

CaNICKEL MINING LIMITED

By: 
Name: Kevin Zhu
Title: CEO

NORVISTA CAPITAL CORPORATION

By: 
Name: Donald H. Christie
Title: President; CEO

SCHEDULE "G"

LENDER'S UNDERTAKING FOR BUCKO MILL LEASE

[see following page]

LENDER'S CONTROLLING SHAREHOLDER UNDERTAKING

This Lender's Controlling Shareholder Undertaking Agreement made the 8th day of February, 2018 among:

Liu, Wenfeng, businessman (the "Controlling Shareholder")

and

Norvista Capital Corporation (the "Lessee")

and

CaNickel Mining Limited (the "Lessor")

WHEREAS:

- A. Lessor is a subsidiary of Hebei Wenfeng Industrial Group Ltd, ("Lender") and is indebted to Lender for demand loans and advances made by Lender to-date and as such amounts may increase or decrease in future ("Indebtedness");
- B. Controlling Shareholder is together with his affiliates and associates or others with whom he acts in concert, the legal or effective beneficial controlling shareholder of Lender; and
- C. Lessor is the owner of the Bucko Lake Mine, elements of which it has agreed to lease to Lessee under a Mineral Processing Facilities Lease dated the date hereof (the "Lease") to which a form of this Agreement is a Schedule.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the sum of \$10 of lawful monecy of Canada now paid by each party to the other (the receipt and sufficiency of which is hereby acknowledged) the parties agree as follows:

- 1. Any capitalized term used herein that is otherwise not defined herein shall have the meaning granted to it in the Lease.
- 2. Controlling Shareholder represents and warrants that he, alone or together with his affiliates , associates and persons with whom he acts in concert, is the controlling shareholder of Lender. Controlling Shareholder further represents and warrants that Lender has not assigned its interest in the Indebtedness and that the Indebtedness is not in default as of the date hereof.
- 3. Controlling Shareholder hereby undertakes and agrees that if the Lender seeks to enforce or realize upon the Indebtedness, Controlling Shareholder shall ensure, by use of his



controlling shareholdings of Lender or otherwise, that Lender's realization actions shall neither challenge the Lease nor otherwise prejudice the Lessee's rights under the Lease. For avoidance of doubt, no covenant is hereby given or implied that either Controlling Shareholder or the Lender are obligated to cause Lessor to perform its obligations under the Lease. In particular, Controlling Shareholder agrees for himself and his heirs, personal representatives and assigns that any enforcement or realization proceedings which Lender elects to take in respect of the Indebtedness will not prejudice, abrogate or impinge right, title or interest Lessee has in respect of the Lease.

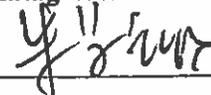
4. Controlling Shareholder further agrees for himself and his heirs, personal representatives and assigns that so long as Lender holds voting shares (the "Shares") in the capital of the Lessor or any successor, Lender shall not vote its Shares to authorize or approve any transaction where the Lessee's rights under the Lease would be prejudiced, abrogated or impinged and will vote its Shares to elect as directors of Lessor persons that the Lender reasonably believes will cause Lessor to honour its obligations under the Lease.
5. Controlling Shareholder will not sell or assign such number of his shares in Lender as would result in him ceasing to be the Lender's controlling shareholder (by share voting control, agreement with other voting shareholders or otherwise) without making any buyer of the shares or other transferee of the shares first agree to honour the terms hereof for the duration of the Lease. The Controlling Shareholder will procure that the Lender will not assign its interests in the Indebtedness in whole or in part except to a party which agrees in writing with the Lessee to restrict such party's rights to enforce the Indebtedness as herein provided.
6. Nothing herein restricts the right of the Lender to secure or enforce the Indebtedness, sell or assign its interest in the Indebtedness or for the Controlling Shareholder to sell or pledge a number of his shares sufficient to constitute control of Lender to a third party provided that such that agrees in writing with the Lessee to the enforcement and realization restrictions herein. Lender may secure the Indebtedness with a mortgage or other registered charge in its discretion.
7. The Controlling Shareholder agrees that this Agreement has been executed and delivered by him in return for valuable consideration. The Controlling Shareholder represents to Lessee that he has full authority to enter into this Agreement and that he currently owns or effectively controls, a controlling interest in the voting securities of the Lender and therefore also indirectly owns or controls, a controlling interest in the voting securities of the Lessor.
8. The term of this Agreement is for the term of the Mineral Processing Facilities Lease.
9. This Agreement shall be governed by and construed in accordance with the laws of the Province of Manitoba and the parties hereby attorn to the jurisdiction of such province in the event of proceedings hereunder.

A handwritten signature in black ink, appearing to be a stylized name or set of initials, located in the bottom right corner of the page.

10. This Agreement shall be binding on, and enure to the benefit of, the parties hereto and their respective successors and assigns. The Lessee shall assign its rights herein to any party which takes an assignment of the Lessee's rights in the Lease.
11. This Agreement may be executed in counterparts and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Agreement by electronic means, including, without limitation, by facsimile transmission or by electronic delivery in portable document format (".pdf") or tagged image file format (".tif"), shall be equally effective as delivery of a manually executed counterpart hereof.

IN WITNESS WHEREOF the parties have executed this Agreement on the 8th day of February, 2018.

Liu, Wenfeng 
(signed) _____

CaNickel Mining Limited
Per:  (Kevin Zhu)

Norvista Capital Corporation
Per: 

SCHEDULE "H"

SUCCESSOR FORM OF ENVIRONMENTAL INDEMNITY

ENVIRONMENTAL INDEMNITY AGREEMENT made as of this • day of April, 2019,

BETWEEN:

CaNICKEL MINING LIMITED,

("CaNickel")

OF THE FIRST PART,

and

ROCKCLIFF METALS CORPORATION,

("Rockcliff")

OF THE SECOND PART.

WHEREAS CaNickel and Norvista Capital Corporation ("**Norvista**") entered into a lease relating to the use by Norvista of an ore mill and related facilities at CaNickel's Bucko Lake Mine in Manitoba (the "**Mill**") dated February 8, 2018 (the "**Lease**") and agreed each to indemnify the other with respect to certain environmental matters relating to activities carried out under the terms of the Lease therein;

AND WHEREAS Norvista assigned the Lease to Rockcliff pursuant to an Assignment Agreement dated February •, 2019 that provided for Norvista's assignment to Rockcliff of its rights to the use of the Mill (the "**Lease Assignment**");

NOW THEREFORE IN CONSIDERATION of the obligations set out in the Lease and the Lease Assignment and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE 1 – General Matters

1.1 All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Lease.

1.2 The "**Existing Environmental Condition of the Lease Premises**" shall be as established pursuant to section 8.03 of the Lease.

ARTICLE 2 – CaNickel's Covenants

2.1 Except as limited by the Lease, CaNickel shall indemnify and save harmless Rockcliff and its officers, directors, shareholders, employees and agents from and against any and all expenses that Rockcliff and its officers, directors, shareholders, employees and agents may incur and from any judgments, damages, liabilities, costs, charges, interest, penalties, fines, monetary sanctions, and

expenses incurred or suffered in respect of, or for which Rockcliff becomes liable as a consequence of in relation to or arising out of:

- (a) the Existing Environmental Condition of the Lease Premises, excluding any claims to the extent they arise out of any deterioration, aggravation or exacerbation of the Existing Environmental Condition after the date hereof caused directly or indirectly by Rockcliff's acts or omissions or resulting from Rockcliff's occupation or use of the Lease Premises (including claims arising out of Rockcliff's acts which were in compliance with the Lease);
- (b) any Claim against Rockcliff arising out of CaNickel's acts or omissions during CaNickel's use or occupation of the Leased Premises under Shared Usage or otherwise (including claims made even if CaNickel is in compliance with the Lease); and
- (c) any failure on the part of CaNickel during the Lease Term to comply with Environmental Laws or Environmental Permits (except to the extent that such failure to comply is caused, directly or indirectly, by Rockcliff or its officers, directors, employees, contractors or invitees);

including, without limiting the generality of the foregoing, the following:

- (d) any amount paid to settle or satisfy a Claim that Rockcliff is required to pay to any person or Governmental Authority;
- (e) any and all legal expenses (on a solicitor and own client basis), costs, charges, consultants' fees and other expenses incurred from time to time in the course of defending, appealing or challenging any such Claim; and
- (f) any and all costs, charges, and expenses incurred where Rockcliff is not successful in defending, appealing, or challenging, such Claim or where such Claim is never brought to trial, hearing or before any board or tribunal, or judgment, or where same is rescinded or removed.

CaNickel shall seek the approval of the Court or other applicable authority, official or tribunal, if required, to the indemnification of Rockcliff, as provided in this Indemnity Agreement.

2.2 If any third party shall notify Rockcliff with respect to any Claim or matter which may give rise to a Claim for indemnification pursuant to this section 2, then Rockcliff shall promptly notify CaNickel thereof in writing. CaNickel, at its sole cost and expense, shall have the right to defend Rockcliff against the claim or matter with counsel of its choice reasonably satisfactory to Rockcliff so long as:

- (a) CaNickel notifies Rockcliff in writing within ten (10) days after Rockcliff has given notice of the Claim or matter that CaNickel will indemnify Rockcliff from and against the Claim or matter; and
- (b) the Claim or matter involves only money damages and does not seek an injunction or other equitable relief; and
- (c) CaNickel conducts the defense of the Claim or matter actively and diligently.

2.3 So long as CaNickel is conducting the defense of the Claim or matter in accordance with this section:

- (a) Rockcliff may retain separate co-counsel at its sole cost and expense and participate in the defense of the Claim or matter;
- (b) Rockcliff shall not consent to the entry of any judgment or enter into any settlement with respect to the Claim or matter without the prior written consent of CaNickel (such consent not to be withheld unreasonably); and
- (c) Rockcliff will not consent to the entry of any judgment or enter into any settlement with respect to the Claim or matter without the prior written consent of CaNickel, such consent not to be withheld unreasonably and such consent not to be withheld at all if the judgment or settlement contains a full release reasonably satisfactory to Rockcliff.

2.4 In the event any of the foregoing conditions is or becomes unsatisfied:

- (a) Rockcliff may defend against, and consent to the entry of any judgment or enter into any settlement with respect to, the Claim or matter in any manner it reasonably may deem appropriate (and Rockcliff need not consult with, or obtain any consent from, CaNickel in connection therewith);
- (b) CaNickel shall reimburse Rockcliff promptly and periodically for the costs of defending against the Claim or matter (including reasonable legal fees and expenses); and
- (c) CaNickel shall remain responsible for all damages, liabilities, claims, costs and expenses Rockcliff may suffer from, arising out of, relating to or caused by the Claim or matter to the fullest extent provided in this Indemnity Agreement.

2.5 The aforesaid consideration paid to Rockcliff is not to be deemed in any way to be an admission of liability on the part of either Rockcliff or CaNickel.

2.6 CaNickel shall not make any claim or take any proceedings under the provisions of any statute, contract, or otherwise against any person, firm or corporation who may claim any contribution or indemnification from Rockcliff which would have the effect of negating the effect of the within indemnity, unless Rockcliff first agrees, in writing, to such claim.

2.7 CaNickel hereby represents and warrants that the execution and delivery of this Indemnity Agreement has been duly authorized by CaNickel and that it has full power and authority to execute and deliver this Indemnity Agreement.

ARTICLE 3 – ROCKCLIFF’S COVENANTS

3.1 Except as limited by the Lease, Rockcliff shall indemnify and save harmless CaNickel and its officers, directors, shareholders, employees and agents from and against any and all expenses that CaNickel and its officers, directors, shareholders, employees and agents may incur and from any judgments, damages, liabilities, costs, charges, interest, penalties, fines, monetary sanctions and expenses incurred or suffered in respect of, or for which CaNickel becomes liable as a consequence of in relation to or arising out of:

- (a) any Claim against CaNickel arising out of Rockcliff's acts or omissions relating to its occupation, use or operation of the Lease Premises (including claims made even if Rockcliff is in compliance with the Lease) or against any of CaNickel's officers, directors, employees, shareholders, creditors, contractors or invitees in connection with any occupation, use or operation by Rockcliff of the Lease Premises);
- (b) any failure on the part of Rockcliff or its officers, directors, employees, contractors or invitees during the Lease Term to comply with Environmental Laws or Environmental Permits (except to the extent that such failure to comply is caused, directly or indirectly, by CaNickel or its officers, directors, employees, contractors or invitees);
- (c) any Claim relating to any Hazardous Substance brought on to the Leased Premises by Rockcliff or its officers, directors, employees, contractors or invitees,

including, without limiting the generality of the foregoing, the following:

- (d) any amount paid to settle or satisfy a Claim that CaNickel is required to pay to any person or Governmental Authority,
- (e) any and all legal expenses (on a solicitor and own client basis), costs, charges, consultants' fees and other expenses incurred from time to time in the course of defending, appealing or challenging any such Claim; and
- (f) any and all costs, charges and expenses incurred where CaNickel is not successful in defending, appealing, or challenging, such Claim or where such Claim is never brought to trial, hearing, or before any board or tribunal, or judgment, or where same is rescinded or removed.

Rockcliff shall seek the approval of the Court or other applicable authority, official or tribunal, if required, to the indemnification of CaNickel, as provided in this Indemnity Agreement.

3.2 If any third party shall notify CaNickel with respect to any Claim or matter which may give rise to a claim for indemnification pursuant to this section 3, then CaNickel shall promptly notify Rockcliff thereof in writing. Rockcliff, at its sole cost and expense, shall have the right to defend CaNickel against the Claim or matter with counsel of its choice reasonably satisfactory to CaNickel so long as:

- (a) Rockcliff notifies CaNickel in writing within ten (10) days after CaNickel has given notice of the Claim or matter that Rockcliff shall indemnify CaNickel from and against the Claim or matter; and
- (b) the Claim or matter involves only money damages and does not seek an injunction or other equitable relief; and
- (c) Rockcliff conducts the defense of the Claim or matter actively and diligently.

3.3 So long as Rockcliff is conducting the defense of the Claim or matter in accordance with this Section:

- (a) CaNickel may retain separate co-counsel at its sole cost and expense and participate in the defense of the Claim or matter;

- (b) CaNickel shall not consent to the entry of any judgment or enter into any settlement with respect to the Claim or matter without the prior written consent of Rockcliff (such consent not to be withheld unreasonably); and
- (c) CaNickel shall not consent to the entry of any judgment or enter into any settlement with respect to the Claim or matter without the prior written consent of Rockcliff, such consent not to be withheld unreasonably and such consent not to be withheld at all if the judgment or settlement contains a full release reasonably satisfactory to CaNickel.

3.4 In the event any of the foregoing conditions is or becomes unsatisfied:

- (a) CaNickel may defend against, and consent to the entry of any judgment or enter into any settlement with respect to, the Claim or matter in any manner it reasonably may deem appropriate (and CaNickel need not consult with, or obtain any consent from, Rockcliff in connection therewith);
- (b) Rockcliff shall reimburse CaNickel promptly and periodically for the costs of defending against the Claim or matter (including reasonable legal fees and expenses); and
- (c) Rockcliff shall remain responsible for all damages, liabilities, claims, costs and expenses CaNickel may suffer resulting from, arising out of, relating to or caused by the Claim or matter to the fullest extent provided in this Indemnity Agreement.

3.5 The aforesaid consideration paid to CaNickel is not to be deemed in any way to be an admission of liability on the part of either Rockcliff or CaNickel.

3.6 Rockcliff shall not make any claim or take any proceedings under the provisions of any statute, contract, or otherwise against any other person, firm or corporation who may claim any contribution or indemnification from CaNickel which would have the effect of negating the effect of the within indemnity, unless CaNickel first agrees, in writing, to such claim.

3.7 Rockcliff hereby represents and warrants that the execution and delivery of this Indemnity Agreement has been duly authorized by Rockcliff and that it has full power and authority to execute and deliver this Indemnity Agreement.

ARTICLE 4 – Miscellaneous

4.1 This Indemnity Agreement and the Lease together shall be considered by the parties to be an apportionment agreement within the meaning of section 22 of The Contaminated Sites Remediation Act, S.M. 1996, c.40, as it may be amended from time to time.

4.2 All matters or actions relating to or giving rise to this Indemnity Agreement or arising out of this Indemnity Agreement are governed by and subject to the laws of the Province of Manitoba and the Courts of the Province of Manitoba have exclusive jurisdiction in all matters relating hereto.

4.3 Any notice, or request or demand herein provided or permitted to be given hereunder, shall be sufficiently given if personally served or mailed by registered mail as follows:

To CaNickel:

999 W. Hastings Street
Suite 1655
Vancouver, BC V6C 2W2

To Rockcliff:

141 Adelaide Street West
Suite 1660
Toronto, ON M5H 3L5

Any notice mailed as aforesaid shall for the purposes of this Lease be presumed to have been given three (3) business days following the day on which such notice is delivered or mailed as aforesaid. Provided that, in the event of any actual or imminent postal disruption, notices shall be delivered to the appropriate party and not sent by mail. Any party may at any time give notice in writing to the others of any change of address, and after the giving of such notice the address therein specified will be deemed to be the address of such party for the purpose of giving notices hereunder.

4.4 This Indemnity Agreement is personal to the parties and neither the rights nor the obligations of any party under this Indemnity Agreement may be assigned to any other person, except with the prior written consent of the other party, and no assignment made without the consent of the other party shall relive a party of its obligation under this Indemnity Agreement.

4.5 This Indemnity Agreement shall be binding upon CaNickel and Rockcliff and all of their successors, permitted assigns and successors in interest and inures to the benefits of the parties hereto and all of their successors and permitted assigns and shall survive any termination of the Lease, anything in this Indemnity Agreement or the Lease to the contrary.

4.6 This Indemnity Agreement may be executed in counterparts and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Indemnity Agreement by electronic means, including, without limitation, by facsimile transmission or by electronic delivery in portable document format (".pdf") or tagged image file format (".tif"), shall be equally effective as delivery of a manually executed counterpart hereof.

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DATED this • day of April, 2019.

CaNICKEL MINING LIMITED

By: _____

Name: _____

Title: _____

ROCKCLIFF METALS CORPORATION

By: _____

Name: _____

Title: _____

SCHEDULE "1"

FORM OF CONSENT FOR ASSIGNMENT OF BUCKO MILL LEASE

[see following page]

CONSENT TO ASSIGNMENT OF LEASE AND RELEASE

TO: NORVISTA CAPITAL CORPORATION
(the "Lessee")

AND TO: ROCKCLIFF METALS CORPORATION
(the "Proposed Lessee")

CaNICKEL MINING LIMITED, being the Lessor under the Mineral Processing Facilities Lease dated February 8, 2018 as amended by the Amending Agreement dated November 16, 2018 between CaNickel Mining Limited and the Lessee (collectively, the "**Lease**"), consents to the Lessee's assignment of the Lease to the Proposed Lessee, pursuant to the Assignment Agreement between the Lessee and the Proposed Lessee dated February •, 2019 regarding the assignment of the Lease by the Lessee to the Proposed Lessee (the "**Agreement**") in conjunction with the sale of the Tower Project (as defined in the Lease) by the Lessee to the Proposed Lessee pursuant to the terms of the Tower Project Asset Purchase Agreement between Akuna Minerals Inc. and the Proposed Lessee dated February •, 2019, for the unexpired balance of the term of the Lease,

PROVIDED THAT nothing contained in this Consent shall:

- (a) in any way operate so as to release the Proposed Lessee from the liabilities and obligations under the Lease;
- (b) constitute an approval of any of the terms of the assignment as between the Lessee and the Proposed Lessee; or
- (c) be construed so as to operate as an amendment of the Lease.

THIS CONSENT is given without prejudice to the Lessor's rights under the Lease and shall not be deemed to authorize any further or other assignment of the Lease.

UPON agreement of the Lessee and the Proposed Lessee by signature of the Agreement, to which this Consent is a Schedule, and in consideration of the Proposed Lessee's assumption of the Lease, CaNickel Mining Limited (including all associates, affiliates, officers, directors, successors and assigns of the Lessor in their capacity as such and in any other capacity), shall hereby release and forever discharge the Lessee (including all officers, directors, successors and assigns of the Lessee in their capacity as such and in any other capacity), from any and all actions, causes of action, covenants, contracts, debts, claims losses, liabilities, expenses and demands the Lessor has, may have or might have had against the Lessee, directly or indirectly, in relation to the Lease (the "**Release**").

UPON the execution of the Agreement, to which this Consent is a Schedule, by the Lessee and the Proposed Lessee, the Lessor hereby agrees not to make any claim, or commence, institute or maintain any action, proceeding or appeal against any person or corporation in which any claim could arise for contribution or indemnity under the provisions of any statute or otherwise from the Lessee with respect to any liability arising from the Lease.

THIS RELEASE shall be governed by and construed in accordance with, the laws of the Province of Manitoba and the federal laws of Canada applicable therein.

THIS RELEASE shall enure to the benefit of the Lessee and its respective heirs, executors, administrators, successors, assigns and legal representatives.

EACH PARTY hereby declares that they have had the opportunity to seek independent legal advice with respect to the Release.

IN THE EVENT the Release, or part thereof, shall be found to be void or invalid by a court of competent jurisdiction, such void or invalid provision, or part thereof, shall be deemed to be severed from this Consent without in any way affecting the validity, enforceability or effect of any of the remaining provisions, or parts thereof, of this Consent which shall remain in full force and effect.

THE LESSOR hereby declares that it fully understands the nature and terms of this Consent and Release, that the consideration stated herein is the sole consideration for this Consent and Release, and that it voluntarily accepts the said assignment of the Lease to the Proposed Lessee for the purpose of maximizing the utility of the Lease.

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IN WITNESS WHEREOF this Consent and Release has been executed as of the ____ day of _____, 2019.

CaNICKEL MINING LIMITED

By: _____

Name: _____

Title: _____

This Consent of CaNickel Mining Limited as stated herein is conditional upon Lessee and Proposed Lessee executing the Agreement, to which this Consent and Release is a Schedule, by the Outside Date (as defined therein), failing which this Consent shall be of no force or effect.

SCHEDULE "J"

SUCCESSOR FORM OF LENDER'S UNDERTAKING FOR BUCKO MILL LEASE

LENDER'S CONTROLLING SHAREHOLDER UNDERTAKING

This Lender's Controlling Shareholder Undertaking Agreement made the • day of April, 2019 among:

Liu, Wenfeng, businessman (the "Controlling Shareholder")

and

Rockcliff Metals Corporation (the "Lessee")

and

CaNickel Mining Limited (the "Lessor")

WHEREAS:

- A. Lessor is a subsidiary of Hebei Wenfeng Industrial Group Ltd. ("**Lender**") and is indebted to Lender for demand loans and advances made by Lender to-date and as such amounts may increase or decrease in future ("**Indebtedness**");
- B. Controlling Shareholder is together with his affiliates and associates or others with whom he acts in concert, the legal or effective beneficial controlling shareholder of Lender; and
- C. Lessor is the owner of the Bucko Lake Mine, elements of which it has agreed to lease to Lessee under the assignment of a Mineral Processing Facilities Lease dated February 8, 2018 (the "**Lease**") pursuant to an Assignment Agreement between Norvista Capital Corporation ("**Norvista**") and the Lessee dated February • , 2019 (the "**Lease Assignment**") to which a form of this Agreement is a Schedule.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the sum of \$10 of lawful money of Canada now paid by each party to the other (the receipt and sufficiency of which is hereby acknowledged) the parties agree as follows:

1. Any capitalized term used herein that is otherwise not defined herein shall have the meaning granted to it in the Lease.
2. Controlling Shareholder represents and warrants that he, alone or together with his affiliates, associates and persons with whom he acts in concert, is the controlling shareholder of Lender. Controlling Shareholder further represents and warrants that Lender has not assigned its interest in the Indebtedness and that the Indebtedness is not in default as of the date hereof.
3. Controlling Shareholder hereby undertakes and agrees that if the Lender seeks to enforce or realize upon the Indebtedness, Controlling Shareholder shall ensure, by use of his controlling shareholdings of Lender or otherwise, that Lender's realization actions shall neither challenge the Lease nor otherwise prejudice the Lessee's rights under the Lease. For avoidance of doubt, no covenant is hereby given or implied that either Controlling Shareholder or the Lender are

obligated to cause Lessor to perform its obligations under the Lease. In particular, Controlling Shareholder agrees for himself and his heirs, personal representatives and assigns that any enforcement or realization proceedings which Lender elects to take in respect of the Indebtedness will not prejudice, abrogate or impinge right, title or interest Lessee has in respect of the Lease.

4. Controlling Shareholder further agrees for himself and his heirs, personal representatives and assigns that so long as Lender holds voting shares (the "**Shares**") in the capital of the Lessor or any successor, Lender shall not vote its Shares to authorize or approve any transaction where the Lessee's rights under the Lease would be prejudiced, abrogated or impinged and will vote its Shares to elect directors of Lessor persons that the Lender reasonably believes will cause Lessor to honour its obligations under the Lease.
5. Controlling Shareholder will not sell or assign such number of his shares in Lender as would result in him ceasing to be the Lender's controlling shareholder (by share voting control, agreement with other voting shareholders or otherwise) without making any buyer of the shares or other transferee of the shares first agree to honour the terms hereof for the duration of the Lease. The Controlling Shareholder will procure that the Lender will not assign its interests in the Indebtedness in whole or in part except to a party which agrees in writing with the Lessee to restrict such party's rights to enforce the Indebtedness as herein provided.
6. Nothing herein restricts the right of the Lender to secure or enforce the Indebtedness, sell or assign its interest in the Indebtedness or for the Controlling Shareholder to sell or pledge a number of his shares sufficient to constitute control of Lender to a third party provided that such third party agrees in writing with the Lessee to the enforcement and realization restrictions herein. Lender may secure the Indebtedness with a mortgage or other registered charge in its discretion.
7. The Controlling Shareholder agrees that this Agreement has been executed and delivered by him in return for valuable consideration. The Controlling Shareholder represents to Lessee that he has full authority to enter into this Agreement and that he currently owns or effectively controls, a controlling interest in the voting securities of the Lender and therefore also indirectly owns or controls, a controlling interest in the voting securities of the Lessor.
8. The term of this Agreement is for the term of the Mineral Processing Facilities Lease.
9. This Agreement shall be governed by and construed in accordance with the laws of the Province of Manitoba and the parties hereby attorn to the jurisdiction of such province in the event of proceedings hereunder.
10. This Agreement shall be binding on, and enure to the benefit of, the parties hereto and their respective successors and assigns. The Lessee shall assigns its rights herein to any party which takes an assignment of the Lessee's rights in the Lease.

11. This Agreement may be executed in counterparts and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Agreement by electronic means, including, without limitation, by facsimile transmission or by electronic delivery in portable document format (“**.pdf**”) or tagged image file format (“**.tif**”), shall be equally effective as delivery of a manually executed counterpart hereof.

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IN WITNESS WHEREOF the parties have executed this Agreement on the • day of April, 2019.

Witness Name:

Lie, Wenfeng

(signed) _____

(signed) _____

CaNICKEL MINING LIMITED

By: _____

Name: _____

Title: _____

ROCKCLIFF METALS CORPORATION

By: _____

Name: _____

Title: _____