

PROPERTY PURCHASE AGREEMENT

-BETWEEN-

NEW FOUND GOLD CORP.

-AND-

LABRADOR GOLD CORP.

April 21, 2024

TABLE OF CONTENTS

ARTICLE 1 INTERPRETATION	1
1.1 Defined Terms.....	1
1.2 Certain Rules of Interpretation.....	8
ARTICLE 2 PURCHASED ASSETS AND PURCHASE PRICE	9
2.1 Purchase and Sale.....	9
2.2 Assumed Liabilities.....	9
2.3 Purchase Price.....	9
2.4 Prospectus Exemption and Restrictions on Resale.....	10
2.5 Allocation of the Purchase Price.....	10
2.6 HST.....	Error! Bookmark not defined.
ARTICLE 3 REPRESENTATIONS, WARRANTIES AND ACKNOWLEDGMENTS	10
3.1 Representations and Warranties of LabGold.....	10
3.2 Representations and Warranties of the Purchaser.....	10
ARTICLE 4 COVENANTS	10
4.1 Conduct of Business.....	10
4.2 Certain Covenants of LabGold Relating to the Transaction.....	11
4.3 Certain Covenants of the Purchaser Relating to the Transaction.....	12
4.4 Circular.....	13
4.5 Access to Information and Purchased Assets.....	14
4.6 Public Communications.....	14
4.7 Tax Matters.....	14
4.8 Required Consents and Approvals.....	15
ARTICLE 5 CONDITIONS TO CLOSING	15
5.1 Mutual Conditions Precedent.....	15
5.2 Additional Conditions Precedent to the Obligations of the Purchaser.....	16
5.3 Additional Conditions Precedent to the Obligations of LabGold.....	17
5.4 Closing Procedures.....	18
5.5 Notice and Cure Provisions.....	18
ARTICLE 6 NON-SOLICITATION	19
6.1 Covenants Regarding Non-Solicitation.....	19
6.2 Right to Accept a Superior Proposal.....	21
6.3 Termination Payment.....	22
ARTICLE 7 TERM AND TERMINATION	23
7.1 Termination.....	23
7.2 Effect of Termination.....	24
ARTICLE 8 CLOSING	24
8.1 Date, Time and Place of Closing.....	24
8.2 Closing Procedures.....	24
ARTICLE 9 POST-CLOSING COVENANTS	24
9.1 Confidentiality.....	24
9.2 Technical Assistance.....	25
ARTICLE 10 INDEMNITY	25

10.1	Continuation of Representations, Warranties and Covenants by LabGold.....	25
10.2	Continuation of Representations, Warranties and Covenants by the Purchaser.....	25
ARTICLE 11 GENERAL PROVISIONS.....		26
11.1	Amendments	26
11.2	Expenses	26
11.3	Further Assurances.....	26
11.4	Notices	26
11.5	Time of the Essence	27
11.6	Third-Party Beneficiaries	27
11.7	Waiver.....	27
11.8	Entire Agreement	27
11.9	Successors and Assigns.....	28
11.10	Severability	28
11.11	Governing Law	28
11.12	Rules of Construction.....	28
11.13	Counterparts	28

SCHEDULES	DESCRIPTION
Schedule "A"	Representations and Warranties of LabGold
Schedule "B"	Representations and Warranties of the Purchaser
Schedule "C"	Purchased Assets
Schedule "D"	Permits
Schedule "E"	Existing Royalties
Schedule "F"	Required Consents and Approvals
Schedule "G"	Allocation of Purchase Price

PROPERTY PURCHASE AGREEMENT

THIS AGREEMENT is made as of April 21, 2024,

BETWEEN:

NEW FOUND GOLD CORP., a corporation existing under the laws of British Columbia
("Purchaser")

- and -

LABRADOR GOLD CORP., a corporation existing under the laws of Ontario
("LabGold")

WHEREAS LabGold is the beneficial and registered owner of the Purchased Assets (as defined herein);

AND WHEREAS LabGold desires to sell, and the Purchaser desires to purchase, the Purchased Assets upon and subject to the terms and conditions set out in this Agreement;

NOW THEREFORE in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Defined Terms

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

"**A&R Royalty Agreement**" shall have the meaning ascribed to such term in Section 4.2(a)(iii).

"**Acquisition Proposal**" means, other than the transactions contemplated by this Agreement, any offer, proposal or inquiry from any Person or group of Persons, whether or not in writing and whether or not delivered to the LabGold Shareholders, after the date hereof relating to: (a) any acquisition or purchase, direct or indirect, of: any of the Purchased Assets; (b) 20% or more of any voting or equity securities of LabGold; (c) any take-over bid, tender offer or exchange offer that, if consummated, would result in such Person or group of Persons beneficially owning 50% or more of any class of voting or equity securities of LabGold; or (d) a plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving LabGold.

"**Affiliate**" means, with respect to any Person, any other Person who directly or indirectly controls, is controlled, or is under direct or indirect common control with, such Person, and includes Person in like relation to an Affiliate.

"**Agreement**" means this property purchase agreement, including the Schedules, as the same may be amended pursuant to the terms hereof.

"**Announcement**" shall have the meaning ascribed to such term in Section 4.6(a).

“**Authorization**” means with respect to any Person, any order, permit, approval, consent, waiver, licence, registration or similar authorization of any Governmental Entity having jurisdiction over the Person.

“**Books and Records**” means all information in any form relating to the Purchased Assets, including, without limitation, books of account, personnel records, sales and purchase records, supplier lists, reports and records, business reports, plans and projections, equipment logs, operating guides and manuals and all other documents, files, correspondence, Authorizations, environmental management systems (including data collected for the purpose of compliance with Environmental Laws and the preparation of reports to Governmental Entities) and other information (whether in written, printed, electronic or computer printout form, or stored on computer discs or other data and software storage and media devices).

“**Business Day**” means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Toronto, Ontario or Vancouver, British Columbia.

“**Change in Recommendation**” shall have the meaning ascribed to such term in Section 6.1(b)(iv).

“**Circular**” means the management information circular to be prepared and sent to the LabGold Shareholders in connection with its Meeting.

“**Closing**” means the closing of the purchase and sale of the Purchased Assets.

“**Closing Date**” means five (5) Business Days following the date on which all of the conditions precedent to the completion of the Transaction as set out in Article 5 of this Agreement have been satisfied or waived in accordance with this Agreement, or such earlier or later date as the Parties may agree in writing, such date to occur not later than the Outside Date.

“**Closing Time**” means 6:00 a.m. (Vancouver time) or such other time as the Parties may agree in writing on the Closing Date.

“**Consideration Shares**” has the meaning ascribed thereto in Section 2.3.

“**Contract**” means any agreement, commitment, engagement, contract, franchise, licence, lease, obligation, undertaking or joint venture (written or oral) relating to the Purchased Assets and to which LabGold is a party or by which LabGold is bound or under which it has rights or obligations.

“**Deed of Conveyance**” has the meaning ascribed thereto in Section 5.2(h)(vi).

“**Dissent Rights**” means the rights of dissent in respect of the Transaction provided for under Section 185 of the OBCA.

“**Encumbrance**” means any encumbrance of any kind whatsoever on property including any privilege, mortgage, hypothec, lien, charge, pledge, security interest, adverse claim or any other option, right or claim of others of any kind whatever, whether contractual, statutory or otherwise, arising.

“**Environment**” means soil, land surface or subsurface strata, surface waters (including navigable waters, ocean waters, streams, ponds, drainage basins and wetlands), groundwater, drinking water supply, stream sediments, ambient air (including indoor air), plant and animal life, sewer system, and any other environmental medium or natural resource and the environment in the workplace.

“**Environmental Laws**” means all Laws and agreements with Governmental Entities and all other statutory requirements relating to the Environment, public health and safety, noise control, pollution, reclamation or the protection of the Environment or to the generation, production, installation, use, storage, treatment, disposal, handling, transportation, Release or threatened Release of Hazardous Substances, including civil responsibility

for acts or omissions with respect to the Environment, and all Authorizations issued pursuant to such Laws, agreements or other statutory requirements.

“**Environmental Permits**” means all permits, certificates, approvals, consents, Authorizations, registrations, licenses or program participation requirements with or from any Governmental Entity under any Environmental Laws.

“**Existing Royalties**” means the royalty agreements as listed in Schedule "E".

“**Governmental Entity**” means (i) any international, multinational, national, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing or (iv) any stock exchange.

“**GST/HST**” means the goods and services tax and harmonized sales tax imposed under Part IX of the *Excise Tax Act* (Canada) and its regulations made thereunder.

“**Hazardous Substances**” means any element, waste or other substance, whether natural or artificial and whether consisting of gas, liquid, solid or vapor that is prohibited, listed, defined, judicially interpreted, designated or classified as dangerous, hazardous, radioactive, explosive or toxic or a pollutant or a contaminant under or pursuant to any applicable Environmental Laws, and specifically including petroleum and all derivatives thereof or synthetic substitutes therefor and asbestos or asbestos-containing materials or any substance which is regulated under Environmental Laws.

“**IFRS**” means International Financial Reporting Standards, at the relevant time, applied on a consistent basis.

“**Issue Price**” means the closing price of the NFG Common Shares on the TSXV on the last trading day prior to the Closing Date.

“**Kingsway Option Agreement**” means the Kingsway option agreement, dated August 18, 2020, between LabGold and the Royalty Holder.

“**knowledge**” means, with respect to (i) the Purchaser, the actual knowledge of Michael Kanevsky, the Chief Financial Officer of the Purchaser or Greg Matheson, Chief Operating Officer of the Purchaser and a “Qualified Person” under NI 43-101, and (ii) LabGold, John Clarke, Project Manager of LabGold and Roger Moss, President and Director of LabGold, a “Qualified Person” under NI 43-101 in each case, after making reasonable inquiry to inform himself or herself as to the relevant matter, but without any obligation to make any inquiries of any other person, including Governmental Entities, and without the requirement to perform any search of any public registry office or system and includes the knowledge that the applicable individual would have had if such reasonable enquiry had been conducted.

“**LabGold**” means Labrador Gold Corp., a corporation existing under the laws of Ontario.

“**LabGold Board**” means the board of directors of LabGold.

“**LabGold Fundamental Reps**” means the representations and warranties of LabGold set forth in paragraphs (1) *Organization and Qualification*, (2) *Corporate Authorization*, (3) *Execution and Binding Obligation*, (4) *Governmental Authorization*, (5) *Non-Contravention*, (9) *Purchased Assets* and (10) *Real Property Matters* of Schedule "A".

“**LabGold Shareholders**” means, at any time, the holders of common shares of LabGold.

“LabGold’s Public Disclosure Record” means all documents filed under the profile of LabGold on the System for Electronic Document Analysis and Retrieval + (“**SEDAR+**”).

“Law” means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended unless expressly specified otherwise.

“Liability” of any person shall mean and include: (i) any right against such person to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; (ii) any right against such person to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to any equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured; and (iii) any obligation of such person for the performance of any covenant or agreement (whether for the payment of money or otherwise);

“Material Adverse Effect” means any fact or state of facts, circumstance, change, effect, occurrence or event which individually or in the aggregate is, or individually or in the aggregate could reasonably be expected to: (i) with respect to LabGold, be material and adverse to the Purchased Assets; (ii) with respect to the Purchaser, be material and adverse to the business of the Purchaser taken as a whole; or (iii) prevent, or materially delay or hinder LabGold or the Purchaser, as applicable, from performing its obligations under this Agreement; provided, however, that no fact or state of facts, circumstance, change, effect, occurrence or event arising from or relating to any of the following shall be deemed to constitute a Material Adverse Effect, or shall be taken into account in determining whether a Material Adverse Effect has occurred: (a) any change or condition generally affecting the mining industry, (b) the state of the securities, credit, banking, capital or commodity markets in general, (c) any change in the price of gold, any change relating to the rate at which any currency can be exchanged for any other currency, (e) general political, economic or financial conditions, including in Canada or the United States, (f) any adoption, implementation, change or proposed change in applicable Laws or accounting standards (or in any interpretation of applicable Laws or accounting standards), (g) any natural disaster or general outbreak of illness, (h) any terrorist attack, armed hostilities, military conflicts, or any governmental responses to any of the foregoing, or (i) the announcement or execution of this Agreement or the implementation of the transactions contemplated herein, except, in the case of subparagraphs (a), (e), (f), (g) or (h) where such fact or state of facts, circumstance, change, effect, occurrence or event has a materially disproportionate effect on the Purchased Assets or the Purchaser, as applicable, taken as a whole, relative to other comparable operations or companies, as applicable in the mining industry generally.

“MCR” means the Mineral Claims Recorder for the Province of Newfoundland and Labrador.

“Meeting” means the special meeting of the LabGold Shareholders, including any adjournment or postponement thereof, to be called and held to consider resolutions to approve the Meeting Matters.

“Meeting Deadline Date” means July 18, 2024.

“Meeting Matters” means, *inter alia*, the following items to be presented for approval by the LabGold Shareholders at the Meeting, as a condition of the completion of the transactions contemplated hereby:

- (a) the sale of the Purchased Assets in accordance with the terms of this Agreement; and
- (b) such other matters as shall properly come before the Meeting, or as may be required by the TSXV in order to give effect to the transactions contemplated by this Agreement.

“**Mineral Act**” means the *Mineral Act*, SNL 1990 c.M-12.

“**Mineral Licences**” means mineral licences 027636M, 027637M, 023940M and 035204M issued pursuant to the Mineral Act as more particularly described in Schedule "C".

“**Mineral Rights**” means the rights to prospect and explore for, to develop and to mine minerals on, in or under any lands.

“**Mining Property**” means the property commonly known as the “Kingsway Project” property or project, comprised of the Mineral Licences, together with all renewals or extensions thereof and all Mineral Rights, surface, water and ancillary or appurtenant rights attached or accruing thereto.

“**Misrepresentation**” has the meaning ascribed thereto under Securities Laws.

“**NFG Common Shares**” means common shares in the capital of the Purchaser.

“**NI 43-101**” means National Instrument 43-101- *Standards of disclosure for Mineral Projects*.

“**NYSE American**” means the NYSE American, LLC.

“**OBCA**” means the *Business Corporations Act* (Ontario) as from time to time amended or re-enacted.

“**Ordinary Course**” means, with respect to an action taken by LabGold, that such action is consistent with the past practices of LabGold and is taken in the ordinary course of the normal day-to-day operations of the business of LabGold.

“**Outside Date**” means the date that is six (6) months following the date of this Agreement, being October 18, 2024.

“**Parties**” means, collectively, the Purchaser and LabGold, and “**Party**” means either of them.

“**Permits**” has the meaning ascribed thereto in Section 2.1(d).

“**Permitted Encumbrance**” means, in respect of the Purchased Assets:

- (a) the reservations, limitations, provisos and conditions expressed in any original grant from a Governmental Entity;
- (b) agreements with any Governmental Entity and any public utilities or private suppliers of services that in each case, and in the aggregate, do not materially detract from the value or materially interfere with the use of the real or immovable property subject thereto, provided that same have been complied with;
- (c) liens for Taxes and utilities which are not due or in arrears; and
- (d) the Existing Royalties.

“**Person**” includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

“**Property**” means, collectively, the Mining Property and the Real Property.

“**Purchase Price**” means \$20,000,000.

“**Purchased Assets**” has the meaning ascribed thereto in Section 2.1, as more particularly described in Schedule "C".

“**Purchaser**” means New Found Gold Corp., a corporation existing under the laws of British Columbia.

“**Purchaser’s Fundamental Reps**” means the representations and warranties of the Purchaser set forth in paragraphs (1) *Organization and Qualification*, (2) *Corporate Authorization*, (3) *Execution and Binding Obligation*, (4) *Share Capital*, (7) *Governmental Authorization*, (8) *Non-Contravention* of Schedule "B".

“**Purchaser’s Public Disclosure Record**” means all documents filed under the profile of the Purchaser on the System for Electronic Document Analysis and Retrieval + (SEDAR+).

“**Real Property**” means Lots 33, 34, 35 and 36 Simms Road in the Town of Appleton, as more particularly described in Schedule "C" together with all ancillary or appurtenant rights attached or accruing thereto.

“**reclamation**” means the reclamation, restoration or closure of any facility or land utilized in any exploration, mining or processing operation required by any Law or any franchises, approvals, authorizations, permits, licenses, easements, registrations, qualifications, leases, variances and similar rights obtained from any governmental authority, including those required under Environmental Law.

“**Records**” shall have the meaning ascribed to such term in Section 2.1(g).

“**Release**” has the meaning prescribed in any Environmental Law and includes any sudden, intermittent or gradual release, spill, leak, pumping, addition, pouring, emission, emptying, discharge, migration, injection, escape, leaching, disposal, dumping, deposit, spraying, burial, abandonment, incineration, seepage, placement or introduction of a Hazardous Substance, whether accidental or intentional, into the Environment or migration of a Hazardous Substance into or through the Environment or into or out of any lands or waters, including the movement of a Hazardous Substance through or in any part of the Environment.

“**Remaining Expenditure Target Payment**” means the \$750,000 payment due to the Royalty Holder under Section 13.1 (iii) of the Kingsway Option Agreement.

“**Representatives**” means, with respect to a Person, such Person’s Affiliates or any officer, director, employee, representative, advisor or agent of such Person or any of its Affiliates.

“**Required Consents and Approvals**” means those consents and approvals listed in Schedule "F";

“**Returns**” means all returns, reports, declarations, elections, notices, filings, forms, information returns, statements and other documents (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared, filed, or required to be made, prepared or filed by Law, with a Governmental Entity in respect of Taxes.

“**Royalty Holder**” means collectively, Shawn Ryan and Wildwood Exploration Inc.

“**Securities Act**” means the *Securities Act* (British Columbia).

“**Securities Laws**” means the Securities Act and all rules, regulations, published notices and instruments thereunder, and all comparable Securities Laws in each of the provinces and territories of Canada.

“**Subsidiary**” means, with respect to a Person, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other

class shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such Person and shall include any body corporate, partnership, joint venture or other entity over which it exercises direction or control or which is in a like relation to subsidiary.

“Superior Proposal” means a bona fide, unsolicited, written Acquisition Proposal made by a third party or group of Persons with whom LabGold and each of its officers and directors deals at arm’s length to, directly or indirectly, acquire assets that individually or in the aggregate constitute all or substantially all of the assets (on a consolidated basis) of LabGold or not less than all of the common shares of LabGold, whether by way of merger, amalgamation, statutory arrangement, share exchange, take-over bid, tender offer, business combination, or otherwise, and that the LabGold Board determines in good faith after consultation with its financial advisors and outside legal counsel: (a) is reasonably capable of being completed without undue delay, taking into account all legal, financial, regulatory and other aspects of such proposal and the Person or group of Persons making such proposal; (b) is not subject to any due diligence condition; (c) is not subject to any finance condition and is fully financed; (d) is offered or made to all LabGold Shareholders on the same terms and conditions; and (e) would, in the opinion of the LabGold Board acting in good faith, if consummated in accordance with its terms (without assuming away the risk of non-completion), result in a transaction more favourable to the LabGold Shareholders from a financial point of view, than the Transaction (including any amendments proposed by the Purchaser pursuant to Section 6.2(b));

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

“Taxes” means, with respect to any Person, (a) any and all supranational, national, federal, provincial, state, local or other taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers’ compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, unclaimed property, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions, global minimum or “Pillar 2” taxes, GST/HST and any requirement to pay or repay any amount to a Governmental Entity in respect of a tax credit, refund, rebate, governmental grant or subsidy, overpayment, or similar adjustment of Taxes; (b) all interest, penalties, fines, instalments, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of or in lieu of amounts of the type described in clause (a) above or this clause (b); (c) any liability for the payment of any amounts of the type described in clauses (a) or (b) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (d) any liability for the payment of any amounts of the type described in clauses (a) or (b) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.

“Technical Report” means the technical report with respect to the Property, dated April 16, 2024, prepared by Tanya Tettelaar, P.Geo.

“Termination Fee” means an amount equal to \$500,000.

“Transaction” means, collectively, the transactions contemplated by this Agreement in relation to the purchase of the Purchased Assets by the Purchaser and the sale of the Purchased Assets by LabGold, as contemplated herein.

“Transfer Instruments” has the meaning ascribed thereto in Section 5.2(h)(vii).

“Transfer Taxes” has the meaning ascribed thereto in Section 4.7.

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

“**Voting Agreements**” means the voting and support agreements (including all amendments thereto) between the Purchaser and each of the officers and directors of LabGold.

1.2 Certain Rules of Interpretation

In this Agreement, unless otherwise specified:

- (a) **Headings, etc.** The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Agreement.
- (b) **Currency.** All references to dollars or to \$ are references to Canadian dollars, unless specified otherwise.
- (c) **Gender and Number.** Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.
- (d) **Certain Phrases, etc.** The words (i) “including”, “includes” and “include” mean “including (or includes or include) without limitation,” (ii) “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of,” and (iii) unless stated otherwise, “Article”, “Section”, and “Schedule” followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Agreement.
- (e) **Capitalized Terms.** Unless expressly indicated otherwise, all capitalized terms used in any Schedule have the meanings ascribed to them in this Agreement.
- (f) **Accounting Terms.** All accounting terms are to be interpreted in accordance with IFRS and all determinations of an accounting nature in respect of LabGold required to be made shall be made in a manner consistent with IFRS.
- (g) **Statutes.** Any reference to a statute refers to such statute and all rules, resolutions and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.
- (h) **Computation of Time.** A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. on the next Business Day if the last day of the period is not a Business Day.
- (i) **Time References.** References to time are to local time, Vancouver, British Columbia.
- (j) **Consent.** If any provision requires approval or consent of a Party and such approval or consent is not delivered within the specified time limit, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.
- (k) **Schedules.** The schedules attached to this Agreement form an integral part of this Agreement for all purposes of it.

ARTICLE 2
PURCHASED ASSETS AND PURCHASE PRICE

2.1 Purchase and Sale

On and subject to the terms and conditions of this Agreement, on the Closing Date, LabGold shall sell, assign, transfer and convey unto the Purchaser and the Purchaser shall purchase from LabGold all property, assets and rights of every description whether real, personal or mixed owned by LabGold that are held for or in respect of the Property, free and clear of all Encumbrances, other than Permitted Encumbrances (the “**Purchased Assets**”), including but not limited to:

- (a) a 100% interest in the Mining Property, including the Mineral Rights in or with respect to the Mining Property;
- (b) a fee simple interest in the Real Property, together with all buildings and erections thereon and improvements and appurtenances thereto;
- (c) all physical property in relation to or situate upon any of the Property, including buildings, structures, improvements, chattels and appurtenances situate thereon, drill core storage, drill core samples, pulps and rejects;
- (d) all rights, benefits and entitlements of LabGold under any permits, Environmental Permits, licenses, approvals, consents, certificates, registrations, exemptions, Authorizations and agreements with Governmental Entity held by LabGold in connection with the Property, as set out in Schedule "D" (collectively, the “**Permits**”);
- (e) all improvements to the Property and all fixtures, plant, vehicles and any other machinery, equipment, furniture, computer hardware, supplies, and infrastructure and other assets located on the Property or that is in possession or under control of LabGold, including the items set out in Schedule "C";
- (f) all easements appurtenant to the Property;
- (g) all intellectual property, including all maps, drill certificates, assay certificates, drill logs and other drilling data, core tests, core samples, drill core reports, data, surveys, assays, studies, analysis, drawings, reports or records, certificates of analysis, digital databases, digital models, photos, all geological, geophysical, geochemical and test data and all other information, including internal and external studies, analyses and other work products, in relation to the Property that is in the possession or under the control of LabGold (the “**Records**”); and
- (h) the Books and Records.

2.2 No Assumed Liabilities

Notwithstanding any other provision of this Agreement, the Purchaser shall not be liable for any Liability of LabGold except for the Remaining Expenditure Target Payment. The Liabilities of LabGold shall remain the sole responsibility of, and shall be retained, paid and performed solely by LabGold.

2.3 Purchase Price

At the Closing Time, the Purchase Price payable by the Purchaser to LabGold for the Purchased Assets shall be fully paid and satisfied by the delivery by the Purchaser to LabGold of such number of NFG Common Shares

determined by dividing the Purchase Price by the Issue Price (the “**Consideration Shares**”), which Consideration Shares shall be registered in the name of LabGold or as LabGold may otherwise direct in writing.

2.4 Prospectus Exemption and Restrictions on Resale

The Parties agree that the Consideration Shares shall be issued by the Purchaser in accordance with the exemption from the prospectus requirement as set forth under section 2.12 of National Instrument 45-106 – *Prospectus Exemptions*, and that the requisite conditions for availability of such exemption shall have been satisfied at the time of the Closing. LabGold acknowledges and agrees that the Consideration Shares will be subject to resale restrictions under National Instrument 45-102 – *Resale of Securities* and may not be sold or otherwise disposed of for a period of four months and one day from the Closing Date.

2.5 Allocation of the Purchase Price

The Parties agree that the allocation of the Purchase Price amongst the Purchased Assets will be as set out in Schedule "G" hereto. The Parties agree: (a) to act in accordance with the computations and allocations contained in Schedule "G" hereto in all appropriate tax forms for the tax year in which the Closing occurs, subject to any adjustments to such computations and allocations as is agreed to in writing between the Parties, each acting reasonably; and (b) not to take the position on any Tax returns before any Governmental Entity charged with the collection of any Tax or in any judicial proceeding that is in any manner inconsistent with the terms of any such allocation without the written consent of the other Party. In the event that any such Governmental Entity disputes the allocation as indicated in Schedule "G", the Party receiving notice of the dispute shall promptly notify the other Parties hereto concerning the nature of the dispute.

ARTICLE 3 REPRESENTATIONS, WARRANTIES AND ACKNOWLEDGMENTS

3.1 Representations and Warranties of LabGold

LabGold represents and warrants to the Purchaser as set forth in Schedule "A" and acknowledges and agrees that the Purchaser is relying upon such representations and warranties in connection with the entering into of this Agreement.

3.2 Representations and Warranties of the Purchaser

The Purchaser represents and warrants to LabGold as set forth in Schedule "B" and acknowledges and agrees that LabGold is relying upon such representations and warranties in connection with the entering into of this Agreement.

ARTICLE 4 COVENANTS

4.1 Conduct of Business

LabGold covenants and agrees that, during the period from the date of this Agreement until the earlier of the Closing Date and the time that this Agreement is terminated in accordance with its terms, except with the express prior written consent of the Purchaser, as required or permitted by this Agreement, LabGold shall:

- (a) conduct its business in the Ordinary Course and LabGold shall maintain and preserve the Purchased Assets and perform and comply with all of its obligations under all Contracts and Authorizations;

- (b) maintain its interest in the Purchased Assets in good standing under applicable Laws, perform all work required to be performed under applicable Law, pay all Taxes, royalties, fees, expenditures and other payments required to be paid or make any necessary Tax, governmental and other filings required in respect to the Purchased Assets in a timely fashion;
- (c) not accelerate any expiry dates and/or vesting provisions of any options pursuant to LabGold's 2023 Stock Option Plan;
- (d) not sell, dispose of, grant any interest in or transfer possession of all or any portion of the Purchased Assets, or any interest therein;
- (e) not grant or permit to exist any Encumbrances on its rights to the Purchased Assets, other than Permitted Encumbrances;
- (f) not enter into any contract or any other transaction that could affect any of the Purchased Assets;
- (g) not terminate, cancel, modify or amend in any respect any contract related to the Purchased Assets or take or fail to take any action that would entitle any party to a contract related to the Purchased Assets to terminate, modify, cancel or amend such contract; or
- (h) not agree, commit or enter into any understanding to take any action set out in paragraphs (c), (d), (e), (f) or (g) of this Section 4.1.

4.2 Certain Covenants of LabGold Relating to the Transaction

- (a) LabGold shall perform all obligations required or desirable to be performed by LabGold under this Agreement, co-operate with the Purchaser in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the Transaction and, without limiting the generality of the foregoing, LabGold shall:
 - (i) use commercially reasonable efforts to satisfy all conditions precedent in this Agreement and comply promptly with all requirements imposed by Law on it with respect to this Agreement or the Transaction;
 - (ii) obtain and maintain all third party or other consents (including from Governmental Entities), waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations, including the Required Consents and Approvals required to be obtained by LabGold, that are (A) necessary in connection with the Transaction, (B) required to be obtained in relation to any of the Purchased Assets, or (C) required in order to maintain any Contracts, leases, Authorizations, licenses or other authorizations in respect of the Purchased Assets in full force and effect up to the Closing, in each case, on terms that are reasonably satisfactory to the Purchaser, and without committing the Purchaser or LabGold to pay any additional consideration or incur any liability or obligation without the prior written consent of the Purchaser;
 - (iii) assist the Purchaser in negotiating a stand-alone royalty agreement with respect to the Existing Royalties pursuant to the Kingsway Option Agreement and the obligation of the Purchaser to pay the Remaining Expenditure Target Payment to the Royalty Holder, in form and substance satisfactory to the Purchaser, acting reasonably, to be entered into between the Purchaser and the Royalty Holder which supersedes and replaces the Kingsway Option Agreement in its entirety (the "**A&R Royalty Agreement**");

- (iv) in connection with the preceding 4.2(a)(ii), LabGold shall: (A) prior to the Closing, prepare all requisite notification letters (and provide copies to the Purchaser) to be submitted to each applicable Governmental Entity confirming the Transaction and, where applicable, requesting approval for the transfer to the Purchaser or issuance, as applicable of all transferrable Authorizations relating to the Purchased Assets; and (B) provide the Purchaser with all material correspondence made by LabGold or received by LabGold with respect to the Required Consents and Approvals;
 - (v) effect all necessary registrations, filings and submissions of information required by Governmental Entities relating to the Transaction and coordinating and cooperating with the Purchaser with respect thereto;
 - (vi) oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Transaction and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging the Transaction or this Agreement; and
 - (vii) not take any action, or refrain from taking any commercially reasonable action, or permitting any action to be taken or not taken, which is inconsistent with this Agreement or which would reasonably be expected to prevent, delay or otherwise impede the consummation of the Transaction.
- (b) LabGold shall promptly notify the Purchaser in writing of:
- (i) any Material Adverse Effect or any fact or state of facts, circumstance, change, effect, occurrence or event which could reasonably be expected to have a Material Adverse Effect;
 - (ii) any notice or other communications from any Person or any Governmental Entity relating to or involving or otherwise adversely affecting the Purchased Assets or that relate to this Agreement or the Transaction.

4.3 Certain Covenants of the Purchaser Relating to the Transaction

- (a) The Purchaser shall perform all obligations required or desirable to be performed by the Purchaser under this Agreement, co-operate with LabGold in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the Transaction and, without limiting the generality of the foregoing, the Purchaser shall:
- (i) use commercially reasonable efforts to satisfy all conditions precedent in this Agreement and comply promptly with all requirements imposed by Law on it with respect to this Agreement or the Transaction;
 - (ii) obtain and maintain all third-party or other consents (including from Governmental Entities), waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations, including the Required Consents and Approvals required to be obtained by the Purchaser, that are (A) necessary in connection with the Transaction or (B) required to be obtained in relation to the issuance of the Consideration Shares to LabGold;

- (iii) oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Transaction and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging the Transaction or this Agreement;
 - (iv) not take any action, or refrain from taking any commercially reasonable action, or permitting any action to be taken or not taken, which is inconsistent with this Agreement or which would reasonably be expected to prevent, delay or otherwise impede the consummation of the Transaction.
- (b) the Purchaser shall promptly notify LabGold in writing of any Material Adverse Effect or any fact or state of facts, circumstance, change, effect, occurrence or event which could reasonably be expected to have a Material Adverse Effect.

4.4 Circular

- (a) As promptly as practical following the execution of this Agreement, and in compliance with applicable Laws and the policies of the TSXV:
- (i) As soon as reasonably practicable following the date hereof and in sufficient time to hold the Meeting on or prior to the Meeting Deadline Date, LabGold shall prepare and complete the Circular, together with any other documents required by applicable Laws in connection with the Meeting. The Purchaser and LabGold shall cooperate in the preparation of the Circular and the Purchaser shall prepare such portions of the Circular, or information required therein, relating to the Purchaser as is reasonably requested by LabGold and shall provide such information to LabGold in a reasonably timely manner. LabGold shall provide the Purchaser and its counsel with reasonable opportunity to review and comment on the Circular. All information relating solely to the Purchaser included in the Circular must be in a form and content satisfactory to the Purchaser, acting reasonably. Each Party shall ensure that any portions of the Circular prepared or provided by it, and any amendments or supplements thereto, do not contain any Misrepresentations, provide the LabGold Shareholders with sufficient information to permit them to form a reasonable judgment concerning the matters to be placed before the Meeting and otherwise comply with applicable Securities Laws.
 - (ii) If LabGold provides a notice to the Purchaser regarding an Acquisition Proposal pursuant to Section 6.1(e) prior to the mailing of the Circular, then unless the Parties agree otherwise, the mailing date will be extended until the date that is seven days following the earlier of either (i) written notification from LabGold to the Purchaser that the LabGold Board has determined that the Acquisition Proposal is not a Superior Proposal, or (ii) the date on which LabGold and the Purchaser enter into an amended agreement pursuant to Section 6.2(b) which results in the Acquisition Proposal in question not being a Superior Proposal. In the event that the mailing date is so extended, the Meeting Deadline Date and the Outside Date shall be extended by the same number of days as the mailing date.
 - (iii) Subject to Section 6.1, LabGold shall (i) solicit proxies in favour of the Meeting Matters and against any matters that may delay or impede the Transaction, including, if so requested by the Purchaser, using the services of dealers and proxy solicitation services and permitting the Purchaser to assist LabGold in such solicitation, and take all other actions that are reasonably necessary or desirable to seek and obtain approval of LabGold Shareholders, (ii) recommend to LabGold Shareholders that they vote in

favour of the Meeting Matters, (iii) not make a Change in Recommendation and (iv) include in the Circular statements that (A) the LabGold Board has, after receiving legal and financial advice, unanimously determined that the Transaction is in the best interests of LabGold and recommends that LabGold Shareholders vote in favour of the Meeting Matters and (B) each party to a Voting Agreement has agreed to vote all of such Person's common shares of LabGold in favour of the Meeting Matters.

- (iv) Subject to the terms of this Agreement and provided that this Agreement has not been terminated in accordance with its terms, LabGold agrees to convene and conduct the Meeting in accordance with its articles and by-laws and applicable Laws on or before the Meeting Deadline Date and not to propose to adjourn or postpone the Meeting without the prior written consent of the Purchaser, except as required for quorum purposes or by applicable Law or by a Governmental Entity.

4.5 Access to Information and Purchased Assets

From the date hereof until the Closing Date, unless this Agreement is terminated in accordance with its terms, subject to Law, LabGold shall, and shall cause its Representatives to, in respect of the business, operations, assets, properties and related rights comprising and relating to the Purchased Assets, afford the Purchaser and its Representatives such access as the Purchaser may reasonably request during regular business hours of LabGold, including for the purpose of environmental site assessments, environmental compliance audits and health and safety audits, facilitating post-Closing business planning and indemnification purposes, to its Representatives, properties, books, records and Contracts, and shall make available to the Purchaser all data and information as the Purchaser may reasonably request with respect thereto. Without limiting the foregoing, LabGold shall, upon the Purchaser's reasonable request, facilitate discussions between the Purchaser and any third party from whom consent may be required in respect of the Transaction. Investigations made by or on behalf of the Purchaser, whether under this paragraph or otherwise, will not waive, diminish the scope of, or otherwise affect any representation or warranty made by LabGold in this Agreement.

4.6 Public Communications

- (a) Subject to the terms of this Agreement and Section 4.6(b), no announcement or communication (each, an "**Announcement**") concerning the existence or content of this Agreement and the Transaction shall be made by LabGold or the Purchaser without prior written approval of the other Party, such consent not be unreasonably withheld.
- (b) Section 4.6(a) does not apply to any Announcement if, and to the extent that such is required by any Governmental Entity (or the rules thereof) to which LabGold or the Purchaser, as applicable, is subject, provided that LabGold or the Purchaser, as applicable, shall, to the extent permitted by applicable Laws and so far as is practical, inform the other of such requirement and the information required to be disclosed, consult with the other as to possible steps to avoid or limit the disclosure, take such of those steps as the other may reasonably require and, where the disclosure is to be made by way of public announcement, make reasonable efforts to agree to the wording of the Announcement with the other in advance.

4.7 Tax Matters

- (a) The Purchaser shall be solely liable for any and all GST/HST, transfer, sales, use, stamp, registration, value added and other similar Taxes (excluding any income or capital Taxes payable or collectible by LabGold as a result of the Transaction) ("**Transfer Taxes**") payable in respect of the Transaction. Where Transfer Tax is collectible by LabGold, the Purchaser shall timely pay such Transfer Tax to LabGold. Where Transfer Tax is not collectible by LabGold, the Purchaser shall report and remit any such Transfer Tax in accordance with applicable law.

Each Party shall, at its own expense, timely file any Tax return or other document with respect to such Transfer Taxes (and each Party shall cooperate with each other Party with respect thereto as reasonably necessary).

- (b) Transfer Taxes shall be calculated in accordance with the Purchase Price allocation set out in Schedule "G" hereto. The Purchaser shall self-assess any GST/HST applicable to the acquisition of any of the Purchased Assets that constitute real property, in accordance with subsections 221(2) and 228(4) of the *Excise Tax Act* (Canada). The Purchaser shall not pay any HST applicable to the acquisition of any of the Purchased Assets that constitute natural resource rights, in accordance with subsection 162(2) of the *Excise Tax Act* (Canada).
- (c) Without limiting the generality of the foregoing, the Purchaser acknowledges that in the event any Transfer Taxes are exigible in connection with the Transaction, such Transfer Taxes shall be in addition to the Purchase Price.

4.8 Required Consents and Approvals

To the extent applicable, on and after the Closing Date, until such time as the Required Consents and Approvals have been obtained, to the extent permitted by Law, LabGold shall hold any Contract or Authorization which relates to the Required Consents and Approvals in trust for the benefit of the Purchaser and the covenants and obligations thereunder shall be fully performed by LabGold and all, from and after the Closing Time, benefits and obligations existing thereunder shall be for the account of the Purchaser.

ARTICLE 5 CONDITIONS TO CLOSING

5.1 Mutual Conditions Precedent

The Parties are not required to complete the Transaction unless the following conditions are satisfied on or as of the Closing Date, which conditions may only be waived, in whole or in part, by the mutual consent of each of the Parties:

- (a) **Illegality.** No Law is in effect that makes the consummation of the Transaction illegal or otherwise prohibits or enjoins either of the Parties from consummating the Transaction.
- (b) **Required Consents and Approvals.** The Required Consents and Approvals shall have been obtained in form and substance satisfactory to the Parties, acting reasonably.
- (c) **Shareholder Approval.** The resolutions to approve matters set out in paragraph (a) of the definition of "Meeting Matters" in Section 1.1 shall have been approved by a 66 2/3% majority of the votes cast by LabGold Shareholders at the Meeting in compliance with Law and the requirements of the TSXV.
- (d) **Exchange Approval.** If approval is required in accordance with the policies of the TSXV or the NYSE American, the TSXV or the NYSE American, as applicable, shall have conditionally approved the disposition of the Purchased Assets by LabGold, the purchase of the Purchased Assets by the Purchaser, and the issuance of the Consideration Shares by the Purchaser to LabGold, subject only to compliance with the requirements of the TSXV and the NYSE American, as applicable.
- (e) **Termination.** This Agreement shall not have been terminated pursuant to Section 7.1.

5.2 Additional Conditions Precedent to the Obligations of the Purchaser

The Purchaser is not required to complete the Transaction unless each of the following conditions is satisfied on or as of the Closing Date, which conditions are for the exclusive benefit of the Purchaser and may only be waived, in whole or in part, by the Purchaser in its sole discretion:

- (a) **Representations and Warranties.** The representations and warranties of LabGold set forth in this Agreement that are qualified by materiality or Material Adverse Effect qualifications shall be true and correct in all respects and all other representations and warranties of LabGold set forth in this Agreement shall be true and correct in all material respects except where any failures or breaches of representations and warranties would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, in each case, as of the Closing Date as if made on and as of such date except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be accordingly true and correct as of such earlier date; and LabGold shall have delivered a certificate confirming same to the Purchaser, executed by a senior officer of LabGold (without personal liability), addressed to the Purchaser and dated the Closing Date.
- (b) **Performance of Covenants.** LabGold has fulfilled or complied in all material respects with each of the covenants and obligations of LabGold contained in this Agreement to be fulfilled or complied with by it on or prior to the Closing Date and LabGold has delivered a certificate confirming same to the Purchaser, executed by a senior officer of LabGold (without personal liability), addressed to the Purchaser and dated the Closing Date.
- (c) **No Material Adverse Effect.** There shall not have occurred a Material Adverse Effect with respect to the Purchased Assets.
- (d) **No Legal Action.** There is no action or proceeding pending in Canada to prohibit or restrict the Transaction or prohibit or restrict the ownership or operation by the Purchaser or its Affiliates of the Purchased Assets.
- (e) **Mining Property.** LabGold shall have a good and registered title to the Mining Property, free and clear of all Encumbrances except Permitted Encumbrances and the Mineral Licences shall be in good standing as of the Closing Date.
- (f) **Real Property.** LabGold shall have good and marketable title to the Real Property in fee simple as of the Closing Date.
- (g) **Royalty Agreement:** The A&R Royalty Agreement shall be agreed between the Purchaser and the Royalty Holder in form and substance satisfactory to the Purchaser.
- (h) **Deliveries to the Purchaser.** LabGold shall have delivered, or caused to be delivered, to the Purchaser the following in form and substance satisfactory to the Purchaser, acting reasonably:
 - (i) the certificates referred to in Section 5.2(a) and Section 5.2(b);
 - (ii) certified copies, dated the Closing Date, of (i) the articles and by-laws of LabGold; and (ii) the resolutions of the board of directors of LabGold approving the entering into of this Agreement and the transactions contemplated hereby;
 - (iii) a Certificate of Status with respect to LabGold issued by the Province of Ontario Ministry of Government Services;

- (iv) a Certificate of Good Standing with respect to LabGold issued by the Registrar of Companies for the Province of Newfoundland and Labrador;
- (v) Certificates of Good Standing issued by the MCR in respect of each of the Mineral Licences;
- (vi) an originally executed Deed of Conveyance and Affidavit of Status and Warranties in agreed registrable form, duly executed by LabGold in front of a notary or commissioner for oaths, transferring the Real Property to the Purchaser free and clear of all Encumbrances, other than the Permitted Encumbrances (the “**Deed of Conveyance**”);
- (vii) an originally executed copy of a transfer instrument in standard form, duly executed by LabGold in front of a notary or commissioner of oaths, to transfer the Mineral Licences to the Purchaser in accordance with the Mineral Act (the “**Transfer Instruments**”);
- (viii) a general conveyance duly executed by LabGold transferring the Purchased Assets other than the Real Property and Mineral Licences to the Purchaser free and clear of all liens, charges and Encumbrances, other than the Permitted Encumbrances;
- (ix) a certificate from the Town of Appleton confirming that all municipal property and business taxes levied in respect of the Real Property have been paid to date;
- (x) a certificate from the Town of Appleton confirming that the Real Property is compliant with all municipal by-laws and development regulations and that there are no outstanding work orders or open building files in respect of the Real Property;
- (xi) any other conveyances, transfers, assignments, consents and other documents necessary or reasonably required to transfer legal and beneficial title to the Purchased Assets with good and marketable title, free and clear of all liens, charges and Encumbrances, other than the Permitted Encumbrances;
- (xii) an original copy of the A&R Royalty Agreement duly signed by the Royalty Holders in registrable form;
- (xiii) all keys, entry devices and passcodes with respect to the Purchased Assets including combinations to any locks or vaults; and
- (xiv) all original copies of the Records and Books and Records in possession of LabGold.

5.3 Additional Conditions Precedent to the Obligations of LabGold

LabGold is not required to complete the Transaction unless each of the following conditions is satisfied on or as of the Closing Date, which conditions are for the exclusive benefit of LabGold and may only be waived, in whole or in part, by LabGold in its sole discretion:

- (a) **Representations and Warranties of the Purchaser.** The representations and warranties of the Purchaser set forth in this Agreement that are qualified by materiality or Material Adverse Effect qualifications shall be true and correct in all respects and all other representations and warranties of the Purchaser set forth in this Agreement shall be true and correct in all material respects except where any failures or breaches of representations and warranties would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse

Effect, in each case, as of the Closing Date as if made on and as of such date except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be accordingly true and correct as of such earlier date; and the Purchaser shall have delivered a certificate confirming same to LabGold, executed by a senior officer of the Purchaser (without personal liability), addressed to LabGold and dated the Closing Date.

- (b) **Performance of Covenants of the Purchaser.** The Purchaser has fulfilled or complied in all material respects with each of the covenants and obligations of the Purchaser contained in this Agreement to be fulfilled or complied with by it on or prior to the Closing Date and the Purchaser has delivered a certificate confirming same to LabGold, executed by a senior officer of the Purchaser (without personal liability), addressed to LabGold and dated the Closing Date.
- (c) **No Material Adverse Effect.** There shall not have occurred a Material Adverse Effect with respect to the Purchaser.
- (d) **No Legal Action.** There is no action or proceeding pending in Canada to prohibit or restrict the Transaction.
- (e) **No Dissent.** Dissent Rights shall not have been exercised (or, if exercised, shall not remain withdrawn) with respect to 7.5% or more of the issued and outstanding common shares of LabGold.
- (f) **Deliveries by the Purchaser.** The Purchaser shall have delivered or caused to be delivered to LabGold the following in form and substance satisfactory to LabGold, acting reasonably:
 - (i) the certificates referred to in Section 5.3(a) and Section 5.3(b); and
 - (ii) a certificate or a DRS statement representing the Consideration Shares.

5.4 Closing Procedures

- (a) On Closing, the Parties shall take all steps required to cause the immediate registration of the Transfer Instruments in the Transfer and Mortgage Registry maintained by the MCR and the A&R Royalty Agreement in the Confidential Registry maintained by the MCR.
- (b) On Closing, the Purchaser shall take all steps required to cause the immediate registration of the Deed of Conveyance in the Registry of Deeds for the Province of Newfoundland and Labrador.

5.5 Notice and Cure Provisions

- (a) Each Party will give prompt notice to the other Party of the occurrence, or failure to occur, at any time from the date hereof until the Closing Date, of any event or state of facts which occurrence or failure would, or would be reasonably like to:
 - (i) cause any of the representation or warranties of such Party contained herein to be untrue or inaccurate in any material respect between the date hereof and the Closing Date;
 - (ii) result in the failure to comply with or satisfy any covenant or agreement to be complied with or satisfied by such Party hereunder prior to the Closing Date; or

- (iii) result in the failure to satisfy any of the conditions precedent in favour of the other Party hereto contained in Section 5.1, 5.2 or 5.3 as the case may be.
- (b) A Party may not exercise any termination rights arising under this Agreement unless such Party has delivered a written notice to the other Party specifying in reasonable detail all breaches of covenants, representations and warranties and other related matters which the Party delivering such notice is asserting as the basis for the exercise of the termination right. If any such notice is delivered and the Party receiving such notice is proceeding diligently to cure such matter, if such matter is susceptible to being cured, the Party delivering such notice may not terminate this Agreement until the earlier of the Outside Date and the expiration of a period of ten (10) Business Days from the date such notice was delivered to the other Party.

ARTICLE 6 NON-SOLICITATION

6.1 Covenants Regarding Non-Solicitation

- (a) LabGold shall, and shall direct and cause its Subsidiaries and its Subsidiaries' respective Representatives to immediately cease and cause to be terminated any solicitation, encouragement, activity, discussion or negotiation, whether or not initiated by LabGold, with any parties (other than the Purchaser) commenced prior to the date of this Agreement with respect to an Acquisition Proposal, and LabGold shall request the return of information regarding LabGold and its Subsidiaries previously provided to such parties and shall request the destruction of all materials including or incorporating any confidential information regarding LabGold and its Subsidiaries. LabGold agrees not to release any third party from any confidentiality agreement relating to a potential Acquisition Proposal to which such third party is a party. LabGold further agrees not to release any third party from any standstill or similar agreement or obligation to which such third party is a party or by which such third party is bound (it being understood and agreed that the automatic termination of a standstill provision due to the announcement of the Transaction or the entry into this Agreement shall not be a violation of this Section 6.1(a)).
- (b) Subject to Section 6.2, or unless permitted pursuant to this Section 6.1, LabGold agrees that it shall not, and shall not authorize or permit any of its or its Subsidiaries' Representatives, directly or indirectly, to:
 - (i) make, solicit, initiate, entertain, encourage, promote or facilitate, including by way of furnishing information, permitting any visit to its facilities or properties or entering into any form of agreement, arrangement or understanding, any inquiries or the making of any proposals regarding an Acquisition Proposal or that may reasonably be expected to lead to an Acquisition Proposal;
 - (ii) participate, directly or indirectly, in any discussions or negotiations regarding, or furnish to any person any information or otherwise co-operate with, respond to, assist or participate in any Acquisition Proposal or potential Acquisition Proposal;
 - (iii) remain neutral with respect to, or agree to, approve or recommend, any Acquisition Proposal or potential Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal until five days following announcement of such Acquisition Proposal shall not be considered to be a violation of this paragraph (iii));

- (iv) withdraw, modify, qualify or change in a manner adverse to the Purchaser, or publicly propose to or publicly state that it intends to withdraw, modify, qualify or change in a manner adverse to the Purchaser, the approval, recommendation or declaration of advisability of the LabGold Board of either the Transaction or this Agreement, as the case may be (a “**Change in Recommendation**”) (it being understood that failing to affirm the approval or recommendation of the LabGold Board of the Transaction or this Agreement within five days after an Acquisition Proposal relating to LabGold has been publicly announced and, in circumstances where no Acquisition Proposal has been made, within two Business Days of being requested to do so by the Purchaser, shall be considered an adverse modification);
 - (v) enter into any agreement, arrangement or understanding effecting or related to any Acquisition Proposal or requiring it to abandon, terminate or fail to consummate the Transaction, or providing for the payment of any break, termination or other fees or expenses to any person in the event that LabGold completes the Transaction; or
 - (vi) make any public announcement or take any other action inconsistent with the recommendation of the LabGold Board that LabGold Shareholders approve the Transaction.
- (c) Notwithstanding Section 6.1(b) and any other provisions of this Agreement, the LabGold Board may consider, participate in any discussions or negotiations with, and provide information to any person who has delivered a *bona fide* written Acquisition Proposal which was not solicited, facilitated or encouraged by LabGold after the date of this Agreement and did not otherwise result from a breach of this Section 6.1 by LabGold, if:
- (i) the LabGold Board first determines in good faith, after consultation with its financial advisor and outside legal counsel, that such Acquisition Proposal constitutes or would reasonably be expected to constitute a Superior Proposal and that it is necessary to take such action in order to discharge properly its fiduciary duties;
 - (ii) such Person was not restricted from making such Acquisition Proposal pursuant to an existing standstill or similar restriction;
 - (iii) prior to providing any confidential non-public information to such Person, LabGold obtains a confidentiality and standstill agreement from the Person making such Acquisition Proposal on terms no more favorable to such Person than those in the confidentiality agreement between LabGold and the Purchaser, provided, for greater certainty, that such standstill shall not preclude such Person from making a Superior Proposal; and
 - (iv) LabGold sends a copy of any such confidentiality and standstill agreement to the Purchaser promptly upon its execution and the Purchaser is provided with a list of the information provided to such Person and is immediately provided with access to all information to which such Person was provided.
- (d) Nothing contained in this Section 6.1 or elsewhere in this Agreement shall prohibit the LabGold Board from making a Change in Recommendation or from making any disclosure to the LabGold Shareholders if, in the good faith judgment of the LabGold Board after consultation with outside legal counsel, such action is necessary for the LabGold Board to act in a manner consistent with its fiduciary duties or is otherwise required under applicable Laws; *provided, however*, that:

- (i) LabGold shall give the Purchaser not less than 48 hours prior written notice of the LabGold Board's intention to make a Change in Recommendation; and
 - (ii) this Section 6.1(d) shall not relieve LabGold from its obligation to proceed to call and hold the Meeting and to hold the vote on the Meeting Matters, except in circumstances where this Agreement is terminated in accordance with the terms hereof.
- (e) From and after the date of this Agreement, LabGold shall promptly (and in any event within 24 hours) notify the Purchaser, at first orally and then in writing, of any proposals, offers or inquiries relating to or constituting an Acquisition Proposal, or any request for non-public information relating to LabGold or its Subsidiaries. Such notice shall include a copy of such proposal, offer or inquiry and any documents related thereto, a description of the terms and conditions of any proposal, inquiry or offer, the identity of the Person making such proposal, inquiry or offer and provide such other details of the proposal, inquiry or offer as LabGold may reasonably request. LabGold shall keep the Purchaser fully informed on a prompt basis of the status, including any change to the terms, of any such inquiry, proposal or offer.

6.2 Right to Accept a Superior Proposal

- (a) If LabGold has complied with Section 6.1, LabGold may accept, approve, recommend or enter into an agreement, understanding or arrangement in respect of a Superior Proposal received prior to the date of approval of the Transaction by the LabGold Shareholders and terminate this Agreement if, and only if: (1) LabGold has provided the Purchaser with a copy of all documents related to the Superior Proposal; (2) LabGold has provided the Purchaser with the information regarding such Superior Proposal required under Section 6.1(e); (3) the LabGold Board has determined in good faith after consultation with outside legal counsel and its financial advisors that such Acquisition Proposal constitutes a Superior Proposal and that it is necessary in order for the LabGold Board to discharge properly its fiduciary duties to withdraw or modify its approval or recommendation of this Agreement and to approve or recommend such Superior Proposal; and (4) five Business Days shall have elapsed from the later of the date the Purchaser received written notice (a "**Superior Proposal Notice**") advising it that the LabGold Board has resolved to accept, approve, recommend or enter into an agreement in respect of such Superior Proposal subject only to this Section 6.2, and the date the Purchaser received a copy of all Superior Proposal documentation. In the event that LabGold provides the Purchaser with a Superior Proposal Notice on a date that is less than seven Business Days prior to the Meeting, LabGold shall, at the request of the Purchaser, adjourn the Meeting to a date that is not less than six Business Days and not more than 15 days after the date of the Superior Proposal Notice. If the Circular has been sent to the LabGold Shareholders prior to the expiry of the five Business Day period set forth in this Section 6.2(a) and, during such period, the Purchaser requests in writing that the Meeting proceed, LabGold shall continue to take all reasonable steps necessary to hold the Meeting and to cause the Transaction to be voted on at such meeting.
- (b) During the five Business Day period referred to in Section 6.2(a), LabGold agrees that the Purchaser shall have the right, but not the obligation, to offer in writing to amend the terms of this Agreement. The terms of any proposed amendment to this Agreement shall be provided by the Purchaser to LabGold. The LabGold Board will review any written proposal by the Purchaser to amend the terms of this Agreement in good faith in order to determine, after consultation with outside legal counsel and its financial advisors and in the exercise of its fiduciary duties, whether the amended proposal would, upon acceptance by LabGold, result in such Superior Proposal ceasing to be a Superior Proposal. If the LabGold Board so determines, LabGold will enter into an amended agreement with the Purchaser reflecting the amended proposal. If the LabGold Board does not so determine, LabGold may accept, approve,

recommend or enter into an agreement, understanding or arrangement in respect of such Superior Proposal, subject to compliance with Section 6.3 hereof.

- (c) Each Party acknowledges and agrees that each successive modification of any Acquisition Proposal shall constitute a new Acquisition Proposal for purposes of the requirement under Section 6.2(a), and will initiate an additional five Business Day notice period.

6.3 Termination Payment

- (a) In the event that this Agreement is terminated:
 - (i) by LabGold pursuant to Section 7.1(a)(iii)(B) hereof;
 - (ii) by the Purchaser pursuant to Section 7.1(a)(iv)(B) hereof;
 - (iii) by the Purchaser pursuant to Section 7.1(a)(iv)(C) hereof; or
 - (iv) by either Party, pursuant to Section 7.1(a)(ii)(A) or 7.1(a)(ii)(C) hereof, if, in either case, prior to such termination, a *bona fide* Acquisition Proposal, or the intention to make a *bona fide* Acquisition Proposal, with respect to LabGold has been made to LabGold or publicly announced (other than by the Purchaser or any of its Affiliates) and not withdrawn and within 12 months following the date of such termination:
 - (A) a Person (i) directly or indirectly acquires LabGold by takeover bid, arrangement, business combination or otherwise; (ii) directly or indirectly acquires the assets of LabGold that constitute more than 50% of the assets of LabGold; or (iii) directly or indirectly acquires more than 50% of the voting or equity securities of LabGold; or
 - (B) LabGold and/or one or more of its Subsidiaries enters into a definitive agreement in respect of, or the LabGold Board approves or recommends, any Acquisition Proposal which is subsequently consummated at any time thereafter;
- then LabGold shall immediately pay to the Purchaser the Termination Fee by wire transfer of immediately available funds.
- (b) Each of the Parties hereby acknowledges that the Termination Fee is a payment of liquidated damages which is a genuine pre-estimate of the damages which the Purchaser will suffer or incur as a result of the event giving rise to such damages and the resultant non-completion of the Transaction and is not a penalty. LabGold hereby irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive. Upon receipt by the Purchaser of the Termination Fee to which it is entitled, the Purchaser shall have no further claim against LabGold in respect of the failure to complete the Transaction, provided that nothing herein shall preclude the Purchaser from seeking injunctive relief to restrain any breach or threatened breach by LabGold of any of its obligations hereunder or otherwise to obtain specific performance without the necessity of posting bond or security in connection therewith.

ARTICLE 7
TERM AND TERMINATION

7.1 Termination

- (a) This Agreement may be terminated prior to the Closing Date:
 - (i) by the mutual written agreement of the Parties;
 - (ii) by either LabGold or the Purchaser if:
 - (A) the Closing does not occur on or prior to the end of the day on the Outside Date, provided that a Party may not terminate this Agreement pursuant to this Section 7.1(a)(ii)(A) if the failure of the Closing to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants under this Agreement;
 - (B) after the date of this Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Transaction illegal or otherwise permanently prohibits or enjoins LabGold or the Purchaser from consummating the Transaction, and such Law has, if applicable, become final and non-appealable, provided the Party seeking to terminate this Agreement pursuant to this Section 7.1(a)(ii)(B) has used its commercially reasonable efforts to appeal such Law (provided such Law is an order, injunction, judgment, decree or ruling) or otherwise have it lifted or rendered non-applicable in respect of the Transaction;
 - (C) the Meeting Matters are not approved at the Meeting; or
 - (D) holders of common shares of LabGold representing in the aggregate 10% or more of the issued and outstanding common shares of LabGold immediately prior to the Closing Date have validly exercised Dissent Rights.
 - (iii) by LabGold:
 - (A) if a breach of any representation or warranty or failure to perform any covenant on the part of the Purchaser under this Agreement occurs that would cause any condition in Section 5.3 not to be satisfied, and such breach or failure is incapable of being cured or is not cured by the Outside Date;
 - (B) in order to enter into a definitive written agreement with respect to a Superior Proposal, subject to compliance with Section 6.2 and the payment of the Termination Fee required to be paid pursuant to Section 6.3; or
 - (C) if, after the date of this Agreement, there has occurred a Material Adverse Effect with respect to the Purchaser.
 - (iv) by the Purchaser if:
 - (A) a breach of any representation or warranty or failure to perform any covenant on the part of LabGold under this Agreement occurs that would cause any

condition in Section 5.2 not to be satisfied, and such breach or failure is incapable of being cured or is not cured by the Outside Date;

- (B) (i) the LabGold Board shall have withdrawn or modified in a manner adverse to its approval or recommendation of the Transaction (in accordance with Section 6.1 or Section 6.2); (ii) the LabGold Board shall have approved or recommended an Acquisition Proposal; or (iii) LabGold shall have entered into a definitive agreement with respect to a Superior Proposal; or
 - (C) LabGold is in breach or default of any of its obligations or covenants set forth in Section 6.1 or Section 6.2;
 - (D) after the date of this Agreement, there has occurred a Material Adverse Effect with respect to the Purchased Assets.
- (b) The Party desiring to terminate this Agreement pursuant to Section 7.1(a) shall give notice of such termination to the other Party, specifying in reasonable detail the basis for such Party's exercise of its termination right.

7.2 Effect of Termination

If this Agreement is terminated pursuant to Section 7.1, subject to Section 11.3, this Agreement shall become void and of no further force or effect without liability of any Party to any other Party to this Agreement except that no Party shall be relieved of any liability for any breach by it of this Agreement.

ARTICLE 8 CLOSING

8.1 Date, Time and Place of Closing

The completion of the Transaction contemplated by this Agreement will take place at the offices of Blake, Cassels & Graydon LLP, Suite 3500, 1133 Melville Street, Vancouver, B.C. V6E 4E5 at the Closing Time or at such other place, on such other date and at such other time as may be agreed upon in writing between the Parties. Notwithstanding the foregoing the originally executed transfer forms set out in Section 5.2(h)(vi) and 5.2(h)(vii) shall be delivered in escrow to the offices of Stewart McKelvey, Suite 1100, Cabot Place, 100 New Gower St., St. John's, N.L. A1C 6K3 in advance of Closing.

8.2 Closing Procedures.

Subject to satisfaction or waiver by the relevant Party of the conditions of Closing, at the Closing, LabGold shall deliver actual possession of the Purchased Assets and the instruments of conveyance described in Section 5.2(h)(vi) and 5.2(h)(vii) and, upon such deliveries, the Purchaser shall procure that the Consideration Shares are issued to LabGold and that LabGold's name is entered in the Purchaser's register of shareholders as the registered holder of the Consideration Shares (and, as soon as reasonably practicable following the Closing, deliver to LabGold a certificate or a DRS statement in respect of the Consideration Shares so issued).

ARTICLE 9 POST-CLOSING COVENANTS

9.1 Confidentiality

After the Closing, LabGold shall and shall cause its Affiliates and its Representatives to, subject to Section 4.6(b), keep confidential all information in its possession or under its control relating to the Purchased Assets

unless such information is or becomes generally available to the public other than as a result of a disclosure by LabGold in violation of this Agreement or any confidentiality agreement between LabGold and the Purchaser.

9.2 Technical Assistance

For a period of 3 months following Closing, LabGold shall provide the Purchaser with access to LabGold's personnel to provide assistance to the Purchaser related to the Purchased Assets (including assistance at site) promptly following any request by the Purchaser, provided that no more than 20 hours of such assistance will be provided per week and, during such period, the Purchaser shall reimburse LabGold for the costs of such assistance.

ARTICLE 10 INDEMNITY

10.1 Continuation of Representations, Warranties and Covenants by LabGold

The representations, warranties, acknowledgments and covenants of LabGold as set out in this Agreement are representations, warranties, acknowledgments and covenants on which the Purchaser has relied in entering into this Agreement and shall survive and continue in full force and effect for a period of two (2) years after the Closing Date, except that:

- (a) the LabGold Fundamental Reps shall survive and continue in full force and effect for the limitation periods imposed by Law;
- (b) the representations and warranties in paragraph (24) *Taxes* of Schedule "A" shall survive and continue in full force and effect for 90 days after the relevant Governmental Entities are no longer entitled to assess or reassess the Taxes in question, having regard, without limitation, to:
 - (i) any waiver given before the Closing Date in respect of such Taxes; and
 - (ii) any entitlement of a Governmental Entity to assess or reassess in respect of such Taxes without limitation in the event of fraud or misrepresentation attributable to neglect, carelessness or wilful default,

and LabGold agrees to indemnify and save the Purchaser harmless from and against any loss, damages, liability, claim, cost and expense (including without limiting the generality of the foregoing, reasonable legal fees) which may be suffered or incurred by the Purchaser or the Purchased Assets as a result of or in connection with (i) any breach of any such covenant or breach or inaccuracy of any such representation and warranty made by LabGold or a failure by LabGold to perform any such covenant, (ii) any failure of LabGold to transfer or cause the transfer of the legal and beneficial ownership of the Purchased Assets free and clear of all Encumbrances other than Permitted Encumbrances, and (iii) any and all debts, claims, liabilities or other obligations related to the Purchased Assets which occurred or accrued in respect of a period prior to the Closing Date.

10.2 Continuation of Representations, Warranties and Covenants by the Purchaser

The representations, warranties, acknowledgments and covenants of the Purchaser as set out in this Agreement are representations, warranties, acknowledgments and covenants on which LabGold has relied in entering into this Agreement and shall survive and continue in full force and effect for a period of two (2) years after the Closing Date, except that the Purchaser Fundamental Reps shall survive and continue in full force and effect for the limitation periods imposed by Law, and the Purchaser agrees to indemnify and save LabGold harmless from and against any loss, damages, liability, claim, cost and expense (including without limiting the generality of the foregoing, reasonable legal fees) which may be suffered or incurred by LabGold as a result of or in connection

with any breach of any such covenant or breach or inaccuracy of any such representation and warranty made by the Purchaser or a failure by the Purchaser to perform any such covenant.

ARTICLE 11 GENERAL PROVISIONS

11.1 Amendments

This Agreement may only be amended by mutual written agreement of the Parties.

11.2 Expenses

Each of LabGold and the Purchaser will be responsible for and bear all of its own costs and expenses (including any broker or advisor fees and the expenses of its Representatives) incurred at any time prior to or after the Closing Date in connection with negotiating, evaluating, pursuing, or completing of the Transaction, whether or not the Transaction is consummated. For greater certainty, if the Transaction is completed, the Purchaser will be responsible for claims transfer fees payable to any applicable Governmental Entity in connection with the transfer of the Property to the Purchaser.

11.3 Further Assurances

From time to time after the Closing Date, each Party shall, at the request of any other Party, execute and deliver such additional conveyances, transfers and other assurances as may be reasonably required to effectively undertake the transactions contemplated by this Agreement and to carry out the intent of this Agreement. Without limiting the generality of the foregoing, to the extent that any Purchased Asset is not transferred to the Purchaser, upon becoming aware or being notified of such failure to transfer such asset, LabGold shall use best efforts to transfer, or to cause the transfer of, such asset to the Purchaser or take other appropriate steps to allow the Purchaser to enjoy the benefit of such arrangement or asset.

11.4 Notices

Any notice, or other communication given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or by electronic mail and addressed:

(a) to the Purchaser at:

New Found Gold Corp.
WeWork c/o New Found Gold Corp.
1600 – 595 Burrard Street,
Vancouver, British Columbia,
V7X 1L4, Canada

Attention: Michael Kanevsky
Email: mk@bmstrategiccapital.com

with a copy to:

Blake, Cassels & Graydon LLP
Suite 3500 – 1133 Melville Street,
Vancouver, BC
Canada V6E 4E5

Attention: Michelle Noorani
Email: michelle.noorani@blakes.com

(b) to LabGold at:

Labrador Gold Corp.
82 Richmond Street East,
Toronto, Ontario
Canada M5C 1P1

Attention: Roger Moss
Email: rmoss@labradorgold.com

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

Gardiner Roberts LLP
Bay Adelaide Centre – East
22 Adelaide Street West, Ste. 3600
Toronto, Ontario
Canada M5H 4E3

Attention: William Johnstone
Email: bjohnstone@grllp.com

Any notice or other communication is deemed to be given and received (i) if sent by personal delivery, email or same day courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, and (ii) if sent by overnight courier, on the next Business Day. Sending a copy of a notice or other communication to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice or other communication to that Party. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party.

11.5 Time of the Essence

Time is of the essence in this Agreement.

11.6 Third-Party Beneficiaries

The Parties intend that this Agreement will not benefit or create any right or cause of action in favour of any other Person, other than the Parties and that no Person, other than the Parties, shall be entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum.

11.7 Waiver

No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

11.8 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. There are no representations, warranties, covenants,

conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement. The Parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement.

11.9 Successors and Assigns

- (a) This Agreement becomes effective only when executed by the Purchaser and LabGold. After that time, it will be binding upon and enure to the benefit of the Purchaser and LabGold and their respective successors and permitted assigns.
- (b) Neither this Agreement nor any of the rights or obligations under this Agreement are assignable or transferable by LabGold without the prior written consent of the Purchaser. Neither this Agreement nor any of the rights or obligations under this Agreement are assignable or transferable by the Purchaser without the prior written consent of LabGold.

11.10 Severability

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions shall remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

11.11 Governing Law

- (a) This Agreement will be governed by and interpreted and enforced in accordance with the Laws of the Province of Newfoundland and Labrador and the federal Laws of Canada applicable therein.
- (b) Each Party irrevocably attorns and submits to the non-exclusive jurisdiction of the Newfoundland and Labrador courts situated in the City of St. John's and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

11.12 Rules of Construction

The Parties waive the application of any Law or rule of construction providing that ambiguities in any agreement or other document shall be construed against the Party drafting such agreement or other document.

11.13 Counterparts

This Agreement may be executed in any number of counterparts (including counterparts by electronic transmission) and all such counterparts taken together shall be deemed to constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed electronic copy of this Agreement, and such executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties.

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

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

SIGNED in the presence of

NEW FOUND GOLD CORP.

/s/ Benjamin Seb Lloyd

By: *s/s Michael Kanevsky*

Notary Public or Commissioner of
Oaths (affix seal)

Name: Michael Kanevsky
Title: Chief Financial Officer

SIGNED in the presence of

LABRADOR GOLD CORP.

/s/ Parish Bhungara

By: */s/ Roger Moss*

Notary Public or Commissioner of
Oaths (affix seal)

Name: Roger Moss
Title: President, CEO & Director

SCHEDULE "A"

REPRESENTATIONS AND WARRANTIES OF LABGOLD

1. **Organization and Qualification.** LabGold is a corporation validly existing and in good standing under the Laws of Ontario and extra-provincially registered under the Laws of Newfoundland and Labrador, and has all requisite power and authority to own, lease and operate its assets and properties and conduct its business as now owned and conducted. LabGold is qualified, licensed or registered to carry on business and is in good standing in each jurisdiction in which such qualification, licensing or registration is necessary except to the extent that any failure of LabGold to be so qualified, licensed or registered or to be in good standing would not materially affect the Purchased Assets, the business or operations contemplated to be carried on in respect thereof or the liabilities, obligations or prospects related thereto, and has all Authorizations required to own the Purchased Assets and to conduct its business as now conducted in respect of the Purchased Assets.
2. **Corporate Authorization.** LabGold has the requisite corporate power and authority to enter into and perform its obligations under this Agreement. The execution, delivery and performance by LabGold of its obligations under this Agreement and the consummation of the Transaction and the other transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of LabGold and no other corporate proceedings on the part of LabGold are necessary to authorize this Agreement or the consummation of the Transaction and the other transactions contemplated hereby.
3. **Execution and Binding Obligation.** This Agreement has been duly executed and delivered by LabGold, and constitutes a legal, valid and binding agreement of LabGold, enforceable against it in accordance with its terms subject only to any limitation under bankruptcy, insolvency or other Laws affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
4. **Governmental Authorization.** Other than the Required Consents and Approvals, the execution, delivery and performance by LabGold of its obligations under this Agreement and the consummation of the Transaction and the other transactions contemplated hereby do not require any Authorization or other action by or in respect of, or filing with, or notification to, any Governmental Entity by LabGold.
5. **Non-Contravention.** The execution, delivery and performance by LabGold of its obligations under this Agreement and the consummation of the Transaction and the other transactions contemplated hereby do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition):
 - (a) contravene, conflict with, or result in any violation or breach of the constating documents of LabGold or any of its Affiliates, or any resolution passed by the directors (or any committee thereof) or shareholders of LabGold;
 - (b) assuming compliance with the matters referred to in Paragraph 4 of this Schedule "A", contravene, conflict with or result in a violation or breach of Law;
 - (c) allow any Person to exercise any rights, require any consent or other action by any Person, or constitute a default under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit to which LabGold is entitled (including by triggering any rights of first refusal or first offer, change in control provision or other restriction or limitation) under any Contract or any Authorization to which LabGold is a party or by which LabGold is bound, relating to the Purchased Assets, the business or

operations contemplated to be carried on in respect thereof or the liabilities, obligations or prospects related thereto; or

- (d) result in the creation or imposition of any Encumbrance upon any of the Purchased Assets.
6. **No Undisclosed Liabilities.** There are no material liabilities or obligations of LabGold of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise which relate in any way to the Purchased Assets, the business or operations contemplated to be carried on in respect thereof or the liabilities, obligations or prospects related thereto, other than liabilities or obligations incurred in connection with this Agreement.
 7. **Absence of Certain Changes or Events.** Other than the transactions contemplated in this Agreement, since September 30, 2023, the business of LabGold as it relates to the Purchased Assets has been conducted in the Ordinary Course and there has not been any event, circumstance or occurrence which has had or would be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect with respect to LabGold or the Purchased Assets.
 8. **Compliance with Laws.** LabGold has been in compliance in all respects with Law in connection with the ownership, use, maintenance and operation of the Purchased Assets. LabGold is not under any investigation with respect to, has not been charged with nor, to the knowledge of LabGold, threatened to be charged with, nor has LabGold received notice of, any violation or potential violation of any Law or disqualification by a Governmental Entity in connection with the ownership, use, maintenance and operation of the Purchased Assets.
 9. **Purchased Assets.** LabGold is the absolute legal, registered and beneficial owner of the Purchased Assets. The Purchased Assets constitute all of the property and assets related to the Property and Schedule "C" sets out a current, complete and accurate list of the Property. LabGold has made available to the Purchaser copies of all material records that are in the possession or control of LabGold with respect to the Purchased Assets.
 10. **Mining Property Matters.**
 - (a) LabGold is the absolute legal, registered and beneficial owner of the Mining Property, under valid, subsisting and enforceable licences issued under the Mineral Act, sufficient permit LabGold to explore for minerals in, on or under the Mining Property and, except for Permitted Encumbrances, LabGold holds an interest in the Mining Property free and clear of any Encumbrances and no commission, licence fee or similar payment to any Person with respect to the Mining Property is payable.
 - (b) There are no royalty or similar obligations in place with respect to the Mining Property other than the Existing Royalties.
 - (c) There are no back-in rights, earn-in rights, rights of first refusal or similar provisions or rights which would affect the Mining Property.
 - (d) All of the Mineral Rights have been properly located and recorded in compliance with applicable Law and are comprised of valid and subsisting mineral claims.
 - (e) The Mineral Licences are in good standing under Law, and will remain in such good standing until the Closing and all work required to be performed and filed in respect thereof has been performed and filed, all Taxes, rentals, fees, expenditures and other payments in respect thereof have been paid or incurred and all filings in respect thereof have been made.

- (f) There is no adverse claim, known, threatened or in process, against or challenge to the title to or ownership of any of the Mineral Rights, Authorizations including any asserted aboriginal title or other rights from First Nations, Métis, tribal or native authorities, communities or groups, and Governmental Entities.
- (g) No portion of the Mining Property is within any protected area, conservation area, rescued area, reserve, reservation, reserved area, resource management zones or special needs lands as designated by any Governmental Entity which could impair the operation and development of the Mining Property.
- (h) There is no claim or the basis for any claim that could reasonably be expected to adversely affect the right of LabGold to use, transfer or otherwise explore, develop or mine mineral deposits on the Mining Property.

11. **Real Property Matters.**

- (a) LabGold is the legal, registered and beneficial owner of the Real Property in fee simple, free and clear of all encumbrances other than Permitted Encumbrances;
- (b) there are no tenancies in respect of the Real Property;
- (c) all buildings, erections and fixtures located on the Real Property are situated entirely within the legal boundaries of the Real Property and do not encroach on any lands adjoining the Real Property or onto, over or through any right of way or easement affecting the Real Property and there are no improvements on lands adjoining the Real Property which encroach thereon;
- (d) LabGold has not received any notice from any municipal or other governmental agency or body having jurisdiction over the Real Property of any zoning, fire, or environmental violation or violations or violations of any material laws, ordinances, statutes or regulations relating to pollution or environmental standards which have not heretofore either been corrected or disclosed in writing by LabGold to the Purchaser;
- (e) there are no persons occupying the Real Property without permission;
- (f) there are no local improvement charges or special levies against the Real Property nor has LabGold received any notice of a proposed local improvement charge or special levy;
- (g) there are no deficiencies or defects in the construction of any buildings, erections or fixtures on the Real Property or in any installations therein;
- (h) there are no unregistered agreements affecting title to the Real Property; and
- (i) there are no outstanding insurance claims in respect of the Real Property.

12. **No Proceedings.** No legal or governmental proceedings or inquiries are pending to which LabGold is a party or to which the Purchased Assets are subject that would result in the revocation or modification of any certificate, authority, permit or licence related to the Purchased Assets, or necessary for the business or operations contemplated to be carried on in respect thereof and, to the knowledge of LabGold, no such legal or governmental proceedings or inquiries are pending, threatened or being contemplated.

13. **No Option on the Purchased Assets.** No Person has any agreement or option or any right or privilege capable of becoming an agreement or option for the purchase from LabGold, or on or following the Closing Date, of any portion of the Purchased Assets.
14. **No Expropriation.** No property or asset of LabGold or its Affiliate relating to the Purchased Assets has been taken or expropriated by any Governmental Entity nor has any notice or proceeding in respect thereof been given or commenced nor, to the knowledge of LabGold, is there any intent or proposal to give such notice or to commence any such proceedings.
15. **Exploration, Development and Mining Activities.** All exploration activities on the Property by LabGold or its Representatives have been conducted in all respects in accordance with best industry practices and all applicable workers' compensation and health and safety and workplace Laws, regulations and policies have been complied with in all material respects.
16. **Environmental Matters.**
 - (a) Neither LabGold nor any of its Subsidiaries has been or is currently in violation of, in connection with the ownership, use, maintenance, operation, closure or remediation of the Purchased Assets, any Environmental Laws.
 - (b) Without limiting the generality of Paragraph 16(a), LabGold does not have any knowledge of, and has not received any notice of, any claim, judicial or administrative proceeding, pending or threatened against, or which may affect, either LabGold or any of its property, assets or operations, relating to, or alleging any violation of, any Environmental Laws in connection with the ownership, use, maintenance, operation, closure or remediation of the Purchased Assets by LabGold, LabGold is not aware of any facts or conditions which could give rise to any such claim or judicial or administrative proceeding or otherwise incurring liability related to the Purchased Assets. Neither LabGold, nor any of its property, assets or operations which relate to the Purchased Assets is the subject of any investigation, evaluation, audit or review by any Governmental Entity to determine whether any violation of any Environmental Laws has occurred or is occurring or whether any remedial action is needed in connection with a Release of any Hazardous Substances into the Environment, except for compliance inspections conducted in the normal course by any Governmental Entity.
 - (c) There are no orders, rulings, directives or Governmental Entity policies issued, pending or, to the knowledge of LabGold, threatened against LabGold in connection with the ownership, use, maintenance or operation of the Purchased Assets under or pursuant to any Environmental Laws requiring any work, repairs, construction or capital expenditures with respect to the Purchased Assets.
 - (d) There are no costs, damages or other liabilities arising from or related to: (i) the presence, emission, migration, disposal, Release or threatened Release of any Hazardous Substances (including any investigation, assessment, remediation, monitoring or other work), whether on or off site, in order to prevent, address or mitigate liabilities that have been, are being or may reasonably be incurred; (ii) and no Purchased Assets have been used for the disposal of waste, Release or transportation of, any substance, material or waste in violation of any Environmental Laws, or that may reasonably adversely affect the use or value of the property or otherwise result in liability.
 - (e) No Environmental Permits have been issued to LabGold or are required to own, lease and operate the Purchased Assets, and to conduct its business as it is now being conducted.

- (f) LabGold has not received from any Person or Governmental Entity any notice, formal or informal, of any proceeding, application, order, demand, directive, claim or any other demand whatsoever, which relates to Environmental Laws or environmental liabilities.
- (g) LabGold has made available to the Purchaser all audits, assessments, investigation reports, inspection reports, studies, plans, material regulatory correspondence and material information and data, in each case with respect to environmental matters relating to the Purchased Assets that are in the possession of LabGold.

17. **Permits**

- (a) The Permits include all permits, licenses, approvals, consents, certificates, registrations, exemptions and other authorizations required by applicable Law in order for LabGold to conduct its activities with respect to the Purchased Assets, as currently conducted.
- (b) Each Permit is valid, in full force and effect, and neither LabGold nor any of its Affiliates has received any notice of default or notice purporting to amend or terminate any of the Permits.
- (c) The Permits are the only permits, approvals or authorizations from Governmental Entities held by LabGold with respect to the Purchased Assets. LabGold is not in violation of any term or provision or requirement of any Permit, and no Person has threatened in writing to revoke or amend or impose any additional condition in respect of, or commenced proceedings to revoke, amend or impose additional conditions in respect of, any Permit.
- (d) No approval is required in connection with the transactions contemplated by this Agreement or in order to transfer to the Purchaser any Permit or to maintain all rights and benefits thereunder in full force and effect and in good standing after Closing.

18. **Aboriginal Matters.**

- (a) LabGold: (i) is not a party to any arrangement or understanding with First Nations, Métis, tribal or aboriginal authorities, communities or groups in relation to the Environment or the development of communities in the vicinity of, or in connection with, the Purchased Assets; (ii), is not currently engaged or involved in any disputes, discussions or negotiations with First Nations, Métis, tribal or aboriginal authorities, communities or groups, or Governmental Entity; and (iii) has not received notice of any existing claim with respect to the Purchased Assets, either from First Nations, Métis, tribal or aboriginal authorities, communities or groups or any Governmental Entity, indicating that any part of the Purchased Assets infringes upon or has an adverse effect on aboriginal rights or interests or could reasonably be expected to prevent or impair the exploration, development, construction or operation of the Property.
- (b) To the knowledge of LabGold, no specific requirements related to cultural 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 Property are currently having, or could reasonably be expected to have, any impact on the mining, development or exploration activities or plans of LabGold or any of its Subsidiaries.

19. **Technical Matters.** LabGold is in compliance with the provisions of NI 43-101 in all material respects, has duly filed with the applicable regulatory authorities all reports required by NI 43-101 and the Technical Report complies in all material respects with the requirements of NI 43-101. All scientific and technical information set forth in LabGold's Public Disclosure Record relating to the Property has been reviewed by LabGold and a "qualified person" as defined by NI 43-101, and all such information has been prepared in accordance with NI 43-101.

20. **Restrictions on Conduct of Business.** LabGold is not a party to or bound by any non-competition agreement, any non-solicitation agreement, or any other agreement, obligation, judgment, injunction, order or decree which purports to limit in any material respect the manner or the localities in which all or any portion of the business or operations contemplated to be carried on in respect of the Purchased Assets may be conducted.
21. **Corrupt Practices.** None of LabGold, or any of its Representatives or joint venture partners, in carrying out or representing its business anywhere in the world, have violated the *Corruption of Foreign Public Officials Act* (Canada), the *U.S. Foreign Corrupt Practices Act*, the U.K. Bribery Act 2010, or the anti-corruption laws of any other jurisdiction where the business of the Purchaser is carried on, and to the knowledge of LabGold, no such action has been taken by its agents, Representatives or other persons acting on behalf of LabGold or any of its Affiliates.
22. **Litigation.** There are no claims, actions, suits, arbitrations, inquiries, investigations or proceedings pending, or, to the knowledge of LabGold threatened against or relating to LabGold that might affect the Purchased Assets, the business or operations contemplated to be carried on in respect thereof or the liabilities, obligations or prospects related thereto by or before any Governmental Entity.
23. **Solvency.** No act or proceeding has been taken by or against LabGold in connection with the dissolution, liquidation, winding up, bankruptcy or reorganization of LabGold or for the appointment of a trustee, receiver, manager or other administrator of LabGold or any of its respective properties or assets nor, to the knowledge of LabGold, is any such act or proceeding threatened. LabGold has not sought protection under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation.
24. **Taxes.**
- (a) LabGold is not a non-resident for the purposes of the Tax Act.
 - (b) No failure, if any, of LabGold and any Subsidiary to duly and timely file a Return or pay all Taxes, including all instalments on account of Taxes for the current year, that are due and payable will result in an Encumbrance on the Purchased Assets. To the knowledge of LabGold, no audit, action, investigation, deficiencies, litigation or proposed adjustments have been asserted or, to the knowledge of LabGold, threatened with respect to any Taxes of LabGold or any Subsidiaries, and neither LabGold nor any of its Subsidiaries is a party to any action or proceeding for assessment or collection of Taxes. For greater certainty, to the knowledge of LabGold, no Return of LabGold or any of its Subsidiaries is under investigation, review, audit or examination by any taxing authority with respect to any Taxes, and no written notice of any investigation, review, audit or examination by any taxing authority has been received by LabGold or any of its Subsidiaries with respect to any Taxes.
 - (c) LabGold has withheld from each payment made to any Person, including any of its present or former employees and, in respect of other payments, to all Persons who are or are deemed to be non-residents of Canada for purposes of the Tax Act all amounts required by applicable Law to be withheld, and has remitted such withheld amounts within the prescribed periods to the appropriate Governmental Entity. LabGold has remitted all Canada Pension Plan contributions, provincial pension plan contributions, employment insurance premiums, employer health taxes and other Taxes payable by it in respect of the employees to the proper Governmental Entity within the time required under applicable Law. LabGold has charged, collected and remitted on a timely basis all Taxes as required under applicable Law on any sale, supply or delivery whatsoever, made by LabGold.

- (d) LabGold is registered for GST/HST purposes under Part IX of the *Excise Tax Act* (Canada) and LabGold's GST/HST registration number is 10388 2015 RT0001.
25. **Financial Statements.** The financial statements of LabGold for the years ended September 30, 2023 and 2022 have been prepared in accordance with International Financial Reporting Standards and present fairly, in all material respects, the financial condition of LabGold, on a consolidated basis, for the applicable periods then ended. LabGold does not intend to correct or restate, nor, to the knowledge of LabGold, is there any basis for any correction or restatement of, any aspect of its financial statements.
26. **Residency.** LabGold is not a non-resident of Canada for the purposes of the Tax Act.
27. **Finders' Fee.** There is no investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of LabGold who might be entitled to any fee or commission in connection with the transactions contemplated by this Agreement.
28. **Full Disclosure.** None of the foregoing representations and warranties of LabGold, or any other representation and warranties of LabGold in any other document delivered under this Agreement, contains any untrue statement of a material fact or omits to state any material fact necessary to make any such statement or representation not misleading. LabGold has made available to the Purchaser all facts and information known to it relating to the Purchased Assets that could reasonably be expected to be material to a Person intending to purchase the Purchased Assets.

SCHEDULE "B"

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

1. **Organization and Qualification.** The Purchaser is a corporation validly existing and in good standing under the Laws of British Columbia and has all requisite power and authority to own, lease and operate its assets and properties and conduct its business as now owned and conducted.
2. **Corporate Authorization.** The Purchaser has the requisite corporate power and authority to enter into and perform its obligations under this Agreement. The execution, delivery and performance by the Purchaser of its obligations under this Agreement and the consummation of the Transaction, the delivery by the Purchaser of the Consideration Shares and the other transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of the Purchaser and no other corporate proceedings on the part of the Purchaser are necessary to authorize this Agreement or the consummation of the Transaction and the other transactions contemplated hereby.
3. **Execution and Binding Obligation.** This Agreement has been duly executed and delivered by the Purchaser, and constitutes a legal, valid and binding agreement of the Purchaser enforceable against them in accordance with its terms subject only to any limitation under bankruptcy, insolvency or other Laws affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
4. **Share Capital.** The authorized capital of the Purchaser consists of an unlimited number of common shares, of which 190,810,110 common shares of the Purchaser and options to purchase 12,436,125 common shares of the Purchaser, are currently issued and outstanding. Upon the issuance thereof in accordance with the terms of this Agreement, the Consideration Shares will be outstanding as fully paid and non-assessable common shares and will not be issued in violation of the terms of any agreement or other understanding at the time that such shares are issued and will be issued in compliance with the constating documents of the Purchaser and all applicable Laws.
5. **Exchange Listing.** The NFG Common Shares are listed and posted for trading on the TSX-V under the trading symbol "NFG" and on the NYSE American under the trading symbol "NFGC". No order ceasing or suspending trading in the securities of the Purchaser nor prohibiting the sale of such securities has been issued to the Purchaser and, to the best knowledge of the Purchaser, no investigation or proceedings for such purposes are pending or threatened.
6. **Reporting Issuer.** The Purchaser is a reporting issuer in each of the provinces and territories of Canada and is not in default of any requirement of applicable Securities Laws.
7. **Governmental Authorization.** The execution, delivery and performance by the Purchaser of its obligations under this Agreement and the consummation of the Transaction and the other transactions contemplated hereby do not require any Authorization or other action by or in respect of, or filing with, or notification to, any Governmental Entity by the Purchaser other than: (i) filings with the securities authorities and the TSXV and the NYSE American, if any; and (ii) any Authorizations which, if not obtained, or any other actions by or in respect of, or filings with, or notifications to, any Governmental Entity which, if not taken or made, would not, individually or in the aggregate, materially impede the ability of the Purchaser to consummate the Transaction and the transactions contemplated hereby.

8. **Non-Contravention.** The execution, delivery and performance by the Purchaser of their obligations under this Agreement and the consummation of the Transaction and the other transactions contemplated hereby do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition):
 - (a) contravene, conflict with, or result in any violation or breach of the constating documents of the Purchaser; or
 - (b) assuming compliance with the matters referred to in Paragraph 7 of this Schedule "B", contravene, conflict with or result in a violation or breach of Law.
9. **Compliance with Laws.** The Purchaser has been in compliance in all material respects with Law in connection with the operation of the Purchaser's business. The Purchaser is not under any investigation with respect to, has not been charged with nor, to the knowledge of the Purchaser, threatened to be charged with, nor has the Purchaser received notice of, any violation or potential violation of any Law or disqualification by a Governmental Entity in connection with the operation of the Purchaser's business.
10. **Litigation.** Other than as disclosed in the Purchaser's Public Disclosure Record, there are no material claims, actions, suits, arbitrations, inquiries, investigations or proceedings pending, or, to the knowledge of the Purchaser threatened against or relating to the Purchaser by or before any Governmental Entity.
11. **Compliance with Anti-Corruption Laws.** None of the Purchaser, or any of its Representatives or joint venture partners, in carrying out or representing its business anywhere in the world, have violated the *Corruption of Foreign Public Officials Act* (Canada), the U.S. *Foreign Corrupt Practices Act*, the U.K. *Bribery Act 2010*, or the anti-corruption laws of any other jurisdiction where the business of the Purchaser is carried on and to the knowledge of the Purchaser, no such action has been take by its agents, Representatives or other persons acting on behalf of the Purchaser or any of its Affiliates.
12. **Financial Statements.** The financial statements of the Purchaser for the years ended December 31, 2023 and 2022 have been prepared in accordance with International Financial Reporting Standards and present fairly, in all material respects, the financial condition of the Purchaser, on a consolidated basis, for the applicable periods then ended. The Purchaser does not intend to correct or restate, nor, to the knowledge of the Purchaser, is there any basis for any correction or restatement of, any aspect of its financial statements.
13. **Solvency.** No act or proceeding has been taken by or against the Purchaser in connection with the dissolution, liquidation, winding up, bankruptcy or reorganization of the Purchaser or for the appointment of a trustee, receiver, manager or other administrator of the Purchaser or any of its respective properties or assets nor, to the knowledge of the Purchaser, is any such act or proceeding threatened. The Purchaser has not sought protection under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation.

14. **Residency.** The Purchaser is not a non-resident of Canada for the purposes of the Tax Act.
15. **GST/HST.** The Purchaser is registered for GST/HST purposes under Part IX of the *Excise Tax Act* (Canada) and its registration number is 78992 4495 RT0001.
16. **Absence of Certain Changes.** Since December 31, 2023, there has not been any event, occurrence, development or state of circumstances or facts that has had or would be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect which has not been publicly disclosed in the Purchaser's Public Disclosure Record.
17. **Full Disclosure.** None of the foregoing representations and warranties of the Purchaser, or any other representation and warranties of the Purchaser in any other document delivered under this Agreement, contains any untrue statement of a material fact or omits to state any material fact necessary to make any such statement or representation not misleading.

SCHEDULE "C"

PURCHASED ASSETS

The Property consists of the Mineral Licenses and the Real Property as described below:

Kingsway Licenses

License No.	License Holder	Location	No. of Claims	License Area (ha)	Status	Issued Date	Expiry Date	NTS 1:50,000 Mapsheet
027637M	Labrador Gold Corp.	South Pond, Central NL	154	3850	Issued	2016-10-24	2026-10-26	02E/02
027636M	Labrador Gold Corp.	Glenwood, Central NL	110	2750	Issued	2016-10-24	2026-10-26	02E/02
023940M	Labrador Gold Corp.	South Pond, Central NL	44	1100	Issued	2016-05-09	2026-05-11	02E/02
035204M	Labrador Gold Corp.	South Pond, Central NL	3	75	Issued	2022-11-10	2027-11-10	02E/02
Total			311	7775				

Real Property-Appleton core storage facility

A fenced facility enclosing the lots described below together with drill core stored in core racks and assay pulps stored in a sea container.

Lot #	Area (ha)
33 Simms Road	0.18
34 Simms Road	0.18
35 Simms Road	0.18
36 Simms Road	0.18

SCHEDULE "D"

PERMITS

List of currently active permits for the Mining Property

Permit #	Type	Government Agency	Description	Licence(s)	Expiry
265844	Development Permit	Government Services NL	Development of drill pads, access trails, sumps	027636M, 023940M, 027837M	24-May-24
E230206	Exploration Approval	Department of Industry, Energy and Technology ("DEIT"), Mineral Lands Division	48 DDH & Access Trails	027636M	12-Sep-25
E230246	Exploration Approval	DEIT, Mineral Lands Division	Prospecting, Geochemical Survey	027636M, 027637M, 023940M, 035204M	29-May-25
E230249	Exploration Approval	DEIT, Mineral Lands Division	Prospecting, Geochemical Survey & Geophysical Survey	027636M, 027637M, 023940M, 035204M	29-May-25
E230266	Exploration Approval	DEIT, Mineral Lands Division	15 DDH, Access Trails & Fuel Storage	027636M	18-Jul-25
E230348	Exploration Approval	DEIT, Mineral Lands Division	95 Drill Holes DDH [ground supported] & Access Trails	027636M	08-Dec-25

SCHEDULE "E"

EXISTING ROYALTIES

Pursuant to the Kingsway Option Agreement mineral licences 027636M, 207637M and 035204M are subject to the following royalty in favour of the Royalty Holder:

- a 1% net smelter return (NSR) royalty, plus \$1 per ounce of gold in the “indicated mineral resource” and “measured mineral resource” categories, as defined by the Canadian Institute of Mining, Metallurgy and Petroleum, and established in a NI 43-101 or like technical report for the development of the Mining Property.
- an advance royalty of \$50,000 per annum will be payable, at the election of the Royalty Holder, in cash or common shares, commencing on March 3, 2026 and continuing each year thereafter until commencement of Commercial Production (as defined in the Kingsway Option Agreement).

which Existing Royalty shall be superseded and replaced in its entirety by the A&R Royalty Agreement.

SCHEDULE "F"
REQUIRED CONSENTS AND APPROVALS

1. Approval of the TSXV and the NYSE American.
2. Approval of the shareholders of LabGold by a 66 2/3% majority in compliance with Law and the requirements of the TSXV.

SCHEDULE "G"

ALLOCATION OF PURCHASE PRICE

Category of Asset	Allocation of Purchase Price
Mineral Licences	\$19,650,000.00
Real Property	\$100,000.00
Personal Property (including drill core)	\$250,000.00
Total Consideration	\$20,000,000.00