

MINERAL PROPERTY PURCHASE AGREEMENT

THIS MINERAL PROPERTY PURCHASE AGREEMENT is made effective the 5th day of August, 2025.

AMONG:

PRIMARY HYDROGEN CORP., a corporation existing under the laws of Alberta, having an office at 540 5 Avenue SW, Suite 1410, Calgary, Alberta, T2P 0M2, Canada

(hereinafter referred to as the “**Vendor**”)

- and -

J4 VENTURES INC. a corporation existing under the laws of British Columbia, having an office at 503 905 West Pender St., Vancouver, British Columbia, V6C 1L6, Canada

(hereinafter referred to as the “**Purchaser**”)

WHEREAS:

- A. The Vendor is the owner of a 100% interest in the Arthur Lake Property (as defined herein);
- B. The Vendor has agreed to sell to the Purchaser, and the Purchaser agreed to purchase from the Vendor, all of the Vendor’s right, title and interest in and to the Arthur Lake Property, subject to the Permitted Liens (as defined herein) on the terms and conditions set forth in this Agreement (the “**Transaction**”); and
- C. The Purchaser is a Capital Pool Company (as defined by the policies of the TSX Venture Exchange (the “**TSXV**”)), and Transaction is intended to constitute the Qualifying Transaction (as defined by the policies of the TSXV) of the Purchaser.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the respective covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I INTERPRETATION

1.01 Definitions

In this Agreement, unless otherwise defined, capitalized words and terms will have the following meanings:

- (a) “**Agreement**” means this property purchase agreement as the same may be supplemented or amended from time to time;

- (b) “**Applicable Laws**” means all applicable rules, policies, notices, orders and legislation of any kind whatsoever of any Governmental Authority having jurisdiction over the transactions contemplated hereby;
- (c) “**Arthur Lake Property**” means the Arthur Lake property, consisting of two mineral claim units totaling 543 hectares located southwest of Vanderhoof, British Columbia, as further described in Schedule “A” hereto;
- (d) “**Books and Records**” means all technical, business and financial records, financial books and records of account, books, data, reports, files, lists, drawings, plans, logs, briefs, customer and supplier lists, deeds, certificates, contracts, surveys, title opinions or any other documentation and information in any form whatsoever (including written, printed, electronic or computer printout form) relating to a corporation and its business;
- (e) “**Business Day**” means a day which is not a Saturday, Sunday or a statutory holiday in the Province of British Columbia;
- (f) “**Closing**” means the completion of the Transaction in accordance with the terms and conditions of this Agreement;
- (g) “**Closing Cash Payment**” has the meaning set forth in Section 2.02(a);
- (h) “**Closing Date**” means the date of Closing, which shall be the fifth (5th) Business Day following the satisfaction or waiver of all conditions to the obligations of the parties to consummate the Transaction (other than conditions that are satisfied with respect to actions the respective parties will take at the Closing itself), or such other date as the parties may mutually determine;
- (i) “**Common Shares**” means common shares without par value in the capital of the Purchaser;
- (j) “**Concurrent Financing**” means the non-brokered private placement of up to 12,000,000 Subscription Receipts at a price of C\$0.05 per Subscription Receipt for gross proceeds of up to C\$600,000;
- (k) “**Consideration Shares**” has the meaning set forth in Section 2.02(b);
- (l) “**Contracts**” (individually, a “**Contract**”) means all written or oral outstanding contracts and agreements, leases (including the real property leases), third-party licenses, insurance policies, deeds, indentures, instruments, entitlements, commitments, undertakings and orders made by or to which a party is bound or under which a party has, or will have, any rights or obligations and includes rights to use, franchises, license and sub-licenses agreements and agreements for the purchase and sale of assets or shares;
- (m) “**Corporate Records**” means the corporate records of a corporation, including (i) its articles, notice of articles or other constating documents, any unanimous shareholders agreement and any amendments thereto; (ii) all minutes of meetings and resolutions of shareholders, directors and any committee thereof; (iii) the share certificate books, register of shareholders, register of transfers and registers of directors and officers; and (iv) all accounting records;

- (n) “**Escrow Release Date**” means the date on which each Subscription Receipt shall be deemed to be exercised, without payment of any additional consideration and without any further action by the holder thereof, in accordance with the terms of the Subscription Receipts;
- (o) “**Exemptions**” has the meaning set forth in Section 2.03(a);
- (p) “**Expenditures**” means all expenses spent or incurred in respect of the Arthur Lake Property from the date hereof, including without limiting the generality of the foregoing, expenses for community relations, environmental matters, camp costs, geophysical surveys, drilling, sampling, assaying and geochemical analysis, metallurgical and engineering work, geological consultants, assessment, maintenance payments, insurance, general administrative expenses (including fees, wages and salaries of persons engaged in exploration work and the lodging and other reasonable needs of such persons) directly attributable to the Arthur Lake Property (including and may include a reasonable allowance for overhead and allocation of indirect costs) and any other monies expended in ascertaining the existence, location, quantity, quality or commercial value of mineral deposits in, under, upon or which may be produced from the Arthur Lake Property;
- (q) “**Filing Statement**” means the filing statement of the Purchaser to be prepared in accordance with the Policy 2.4 – *Capital Pool Companies* of the TSXV in connection with the Transaction;
- (r) “**Governmental Authority**” means any (a) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, court, tribunal, commission, board or agency, domestic or foreign, or (b) regulatory authority, including any securities commission, or stock exchange, including the TSXV;
- (s) “**laws**” means all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, or any provisions of the foregoing, including general principles of common and civil law and equity, binding on or affecting the person referred to in the context in which such word is used; and “**law**” means any one of them;
- (t) “**Lien**” means any mortgage, encumbrance, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), charge, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature or any other arrangement or condition, which, in substance, secures payment, or performance of an obligation;
- (u) “**LOI**” means the letter of intent dated July 3, 2025, between the Purchaser and the Vendor;
- (v) “**Material Adverse Effect**” means (i) any change, effect, fact, circumstance or event which, individually or when taken together with any other changes, effects, facts, circumstances or events, could reasonably be expected to be materially adverse to the assets, liabilities, condition (financial or otherwise), business, properties or results of operation of the Purchaser or the Vendor, or (ii) a material impairment of or delay in the ability of the parties (or any one of them) to perform their obligations hereunder or consummate the Transaction, but does not include any change or development resulting from any act of terrorism or any outbreak of hostilities or war or any natural disaster,

disease, epidemic or pandemic, except to the extent the impact, effect or consequences arising out of or attributable to such events disproportionately affects the operation, assets, liabilities, financial condition or results of operation of the parties (or any one of them);

- (w) “**Material Contract**” means any Contract to which a person is a party and which is material to such person, including any Contract: (i) the termination of which would have a Material Adverse Effect on such person; (ii) any contract which would result in payments to or from such person or its subsidiaries (if any) in excess of \$50,000, whether payable in one payment or in successive payments; (iii) any agreement or commitment relating to the borrowing of money or to capital expenditures; and (iv) any agreement or commitment not entered into in the ordinary course of business;
- (x) “**material fact**” will have the meaning ascribed to it in the *Securities Act* (British Columbia);
- (y) “**MTO**” means Mineral Titles Online, the British Columbia government’s internet-based electronic mineral titles system;
- (z) “**Permitted Liens**” means:
 - (i) the Royalty;
 - (ii) undetermined or inchoate Liens and charges incidental to construction, maintenance or operations or otherwise relating to the ordinary course of business which have not, as of the Closing Date, been filed pursuant to Applicable Law;
 - (iii) Liens for taxes and assessments not at the time overdue or that are being contested in good faith, Liens securing worker’s compensation assessments and Liens for specified taxes and assessments which are overdue (and which have been disclosed to the other parties to this Agreement) but the validity of which is being contested at the time in good faith, if the person shall have made on its books provision reasonably deemed by it to be adequate therefor;
 - (iv) cash or governmental obligations deposited in the ordinary course of business in connection with Contracts, bids, tenders or to secure worker’s compensation, unemployment insurance, surety or appeal bonds, costs of litigation, when required by Applicable Law, public and statutory obligations;
 - (v) Liens or claims incidental to current construction carried out in the ordinary course of business, and mechanics’, materialmen’s, warehousemen’s, workers’, carriers’ and other similar Liens arising or incurred in the ordinary course of business and for amounts not yet delinquent, or if delinquent, being contested in good faith by appropriate actions; and
 - (vi) all rights reserved to or vested in any Governmental Authority by the terms of any lease, licence, franchise, grant or permit held by it or by any statutory provision to terminate any such lease, licence, franchise, grant or permit or to require annual or periodic payments as a condition of the continuance thereof or to distrain against or to obtain a Lien on any of its property or assets in the event of failure to make such annual or other periodic payments;

- (aa) “**person**” includes an individual, sole proprietorship, partnership, limited partnership, unincorporated association or organization, unincorporated syndicate, body corporate, trust, trustee, executor, administrator, legal representative of the Crown or any agency or instrumentality thereof;
- (bb) “**Public Record**” means the financial statements, management discussion and analysis, annual information forms, information circulars, material change reports, press releases and other continuous disclosure documents filed by the Purchaser or its representatives, on behalf of the Purchaser, with the TSXV and any applicable securities regulatory authority (including on SEDAR+);
- (cc) “**Purchase Price**” has the meaning set forth in Section 2.02;
- (dd) “**Purchaser Financial Statements**” has the meaning set forth in Section 5.01(q);
- (ee) “**Purchaser Material Contracts**” has the meaning set forth in Section 3.03(b);
- (ff) “**Regulatory Approval**” means any approval, consent, waiver, permit, order or exemption from any Governmental Authority having jurisdiction or authority over either party which is required or advisable to be obtained in order to permit the Transaction to be effected, including, without limitation, the approval of the TSXV and “**Regulatory Approvals**” means all such approvals, consents, waivers, permits, orders or exemptions;
- (gg) “**Royalty**” has the meaning set forth in Section 2.04;
- (hh) “**Securities Laws**” means the securities legislation having application, the regulations and rules thereunder and all administrative policy statements, instruments, blanket orders, notices, directions and rulings issued or adopted by the applicable securities regulatory authority, all as amended;
- (ii) “**Subscription Receipts**” means subscription receipts of the Purchaser, each to be issued pursuant to the Concurrent Financing. Each Subscription Receipt will be deemed to be exercised into one Common Share and one Common Share purchase warrant on the Escrow Release Date;
- (jj) “**Tax**” means any tax, impost, levy, withholding, duty, fee, premium, assessment and other charge of any kind, however denominated and any instalment or advance payment in respect thereof, including any interest, penalties, fines or other additions that have been, are or will become payable in respect thereof, imposed by any Governmental Authority, including for greater certainty any income, gain or profit tax (including federal, state, provincial and territorial income tax), payroll and employee withholding tax, employment or payroll tax, unemployment insurance, disability tax, social insurance tax, social security contribution, sales and use tax, consumption tax, customs tax, ad valorem tax, excise tax, goods and services tax, harmonized sales tax, franchise tax, gross receipts tax, capital tax, business license tax, alternative minimum tax, estimated tax, abandoned or unclaimed (escheat) tax, occupation tax, real and personal property tax, stamp tax, environmental tax, transfer tax, severance tax, workers’ compensation, Canada and other government pension plan premium or contribution and other governmental charge, and other obligations of the same or of a similar nature to any of the foregoing, together with any interest, penalties or other additions to tax that may become payable in respect of such tax, and any interest in respect of such interest, penalties and additions whether disputed or not, and “**Taxes**” has a corresponding meaning;

- (kk) “**Tax Return**” means all returns, declarations, designations, forms, schedules, reports, elections, notices, filings, statements (including withholding tax returns and reports and information returns and reports) and other documents of every nature whatsoever filed or required to be filed with any Governmental Authority with respect to any Tax together with all amendments and supplements thereto;
- (ll) “**Time of Closing**” means 10:00 a.m. (Vancouver time) on the Closing Date, or such other time as the parties may mutually determine;
- (mm) “**Transaction**” has the meaning set forth in the recitals of this Agreement; and
- (nn) “**TSXV**” has the meaning set forth in the recitals of this Agreement.

1.02 Currency

All sums of money which are referred to in this Agreement are expressed in lawful money of Canada unless otherwise specified.

1.03 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles, sections and other portions and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Agreement. Unless otherwise indicated, any reference in this Agreement to an Article, Section or a Schedule or Exhibit refers to the specified Article or Section of, or Schedule or Exhibit to this Agreement.

1.04 Number, etc.

Unless the subject matter or context requires the contrary, words importing the singular number only will include the plural and vice versa; words importing the use of any gender will include all genders and words importing persons will include natural persons, firms, trusts, partnerships and corporations.

1.05 Date for Any Action

In the event that any date on which any action is required or permitted to be taken hereunder by any person is not a Business Day, such action will be required to be taken on the next succeeding day which is a Business Day.

1.06 Statutory References

Any reference in this Agreement to a statute includes all regulations and rules made thereunder, all amendments to such statute in force from time to time and any statute, regulation or rule that supplements or supersedes such statute, regulation or rule.

1.07 Accounting Principles

Wherever in this Agreement reference is made to generally accepted accounting principles, such reference will be deemed to be the International Financial Reporting Standards or the Canadian generally accepted accounting principles, as applicable, approved by the International Accounting Standards Board or the Canadian Institute of Chartered Accountants, as the case may be, or any successor thereto, applicable as at the date on which a calculation is made or required to be made in accordance with generally accepted accounting principles.

1.08 Knowledge

- (a) Any reference herein to “the knowledge of the Purchaser” (or similar expressions) will be deemed to mean the actual knowledge of any director or executive officer of the Purchaser, together with the knowledge such person would have had if they had conducted a diligent inquiry into the relevant subject matter.
- (b) Any reference herein to “the knowledge of the Vendor” (or similar expressions) will be deemed to mean the actual knowledge of any director or executive officer of the Vendor, together with the knowledge such person would have had if they had conducted a diligent inquiry into the relevant subject matter.

1.09 Schedules

The schedules to this Agreement, listed below, are an integral part of this Agreement, and must be completed and attached before the Closing Date for this Agreement to be fully-integrated and thereafter enforceable by or against either party:

| <u>Schedule</u> | <u>Description</u> |
|-----------------|------------------------|
| Schedule “A” | Arthur Lake Property |
| Schedule “B” | Calculation of Royalty |

**ARTICLE II
PURCHASE AND SALE OF THE ARTHUR LAKE PROPERTY**

2.01 Purchase and Sale

Subject to the terms and conditions hereof, the Vendor hereby agrees to sell to the Purchaser, and the Purchaser hereby agrees to purchase from the Vendor, all of the Vendor’s right, title and interest in and to the Arthur Lake Property, subject to the Permitted Liens. On the Closing Date, the Vendor shall transfer, assign, and convey their respective interests in the Arthur Lake Property to the Purchaser or, as directed to the Purchaser, to an affiliate of the Purchaser, and the Purchaser shall acquire the Arthur Lake Property, free and clear of all Liens, except for the Permitted Liens.

2.02 Purchase Price

In consideration for the acquisition of the Arthur Lake Property, the Purchaser will:

- (a) at the Time of Closing, pay to the Vendor the sum of \$50,000 in cash or immediately available funds (the “**Closing Cash Payment**”); and
- (b) issue from treasury to the Vendor at the Time of Closing an aggregate of 500,000 common shares in the capital of the Purchaser, free and clear of any Liens (the “**Consideration Shares**”). The Consideration Shares will be issued at a deemed price per Consideration Share of \$0.03.

(collectively, the “**Purchase Price**”).

2.03 Restrictions on Resale

The Vendor acknowledges and agrees as follows:

- (a) the issuance of the Consideration Shares will be made pursuant to appropriate exemptions, including (but not limited to) the prospectus exemption found in National Instrument 45-106 – *Prospectus Exemptions* (the “**Exemptions**”) from any applicable prospectus (or equivalent) requirements of the Securities Laws;
- (b) as a consequence of acquiring the Consideration Shares pursuant to the Exemptions:
 - (i) the Vendor will be restricted from using certain of the civil remedies available under the Securities Laws;
 - (ii) the Vendor may not receive information that might otherwise be required to be provided to the Vendor, and the Purchaser is relieved from certain obligations that would otherwise apply under Securities Laws if the Exemptions were not being relied upon by the Purchaser;
 - (iii) no securities commission, stock exchange or similar regulatory authority has reviewed or passed on the merits of an investment in the Consideration Shares;
 - (iv) there is no government or other insurance covering the Consideration Shares; and
 - (v) an investment in the Consideration Shares is speculative and of high risk;
- (c) the certificates or other instruments representing the Consideration Shares will bear such legends as required by Securities Laws and the policies of the TSXV, including, but not limited to, the following legends substantially in the same form with the necessary information inserted:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [4 MONTHS AND 1 DAY FROM DATE OF ISSUANCE]”

“WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL [4 MONTHS AND 1 DAY FROM DATE OF ISSUANCE]”
- (d) the Vendor is knowledgeable of, or has been independently advised as to, the Applicable Laws of that jurisdiction which apply to the issuance of the Consideration Shares and which may impose restrictions on the resale of such Consideration Shares in that jurisdiction and it is the responsibility of the Vendor to find out what those resale restrictions are, and to comply with them before selling the Consideration Shares.

2.04 Net Smelter Return

Upon Closing, the Purchaser will grant the Vendor a 2.0% net smelter returns royalty on the claims currently comprising the Arthur Lake Property as outlined in Schedule “A” to this Agreement (the “**Royalty**”), on the terms and conditions as set out in this Agreement and in Schedule “B”.

2.05 Expenditures

The Vendor will incur at least C\$100,000 of Expenditures on or before August 30, 2025.

ARTICLE III CONDITIONS OF CLOSING

3.01 Mutual Conditions of Closing

The obligations to complete the Transaction are subject to the fulfillment of the following conditions on or before the Time of Closing:

- (a) there will be no action taken under any Applicable Law by any court or Governmental Authority that makes it illegal or restrains, enjoins or prohibits the Transaction, results in a judgment or assessment of damages relating to the Transaction that is materially adverse to the Purchaser or the Vendor or that could reasonably be expected to impose any condition or restriction upon the Purchaser or the Vendor which, after giving effect to the Transaction, would so materially and adversely impact the economic or business benefits of the Transaction as to render the consummation of the Transaction inadvisable to any party hereto;
- (b) there will be no legislation (whether by statute, regulation, order-in-council, notice of ways and means motion, by-law or otherwise) enacted, introduced or tabled which, in the opinion of any party, acting reasonably, materially adversely affects or is reasonable likely to materially adversely affect the Transaction or the ownership of or the exploration, development or exploration of the Arthur Lake Property;
- (c) if required by the TSXV, delivery of a sponsor report and an independent valuation satisfactory to the TSXV; provided that the parties shall use reasonable commercial efforts to structure the Transaction to avoid the requirement of the delivery of a sponsor report and/or independent valuation, to the extent possible;
- (d) receipt of all required regulatory, corporate and third party consents, approvals and confirmations that the parties deem necessary to ensure compliance with all applicable regulatory requirements and conditions necessary to complete the Transaction;
- (e) there is no injunction or restraining order issued preventing, and no pending or threatened proceeding, against any party, for the purpose of enjoining or preventing, the completion of the Transaction or otherwise claiming that this Agreement or the completion of the Transaction is improper or would give rise to a proceeding, under any Applicable Law;
- (f) the Purchaser shall have completed the Concurrent Financing;

- (g) the parties shall have received all necessary Regulatory Approvals and such other authorizations as may be required in respect of the Transaction, including conditional approval from the TSXV;
- (h) there being no prohibition at law against the completion of the Transaction; and
- (i) no Governmental Authority shall have enacted, issued or promulgated any law or change in law (i) making the Transaction illegal, including the purchase of the Arthur Lake Property and the issuance of the Consideration Shares; or (ii) otherwise prohibiting, preventing or restraining the consummation of the Transaction.

The foregoing conditions precedent are for the benefit of all parties and may be waived by the Vendor and the Purchaser, in whole or in part, without prejudice to any party's right to rely on any other condition in favour of any party.

3.02 Conditions of Closing in Favour of the Purchaser

The obligations of the Purchaser to complete the Transaction are subject to the fulfillment of the following conditions on or before the Time of Closing:

- (a) the Vendor will have tendered all closing deliveries set forth in Section 4.03;
- (b) the representations and warranties of the Vendor set forth in this Agreement will have been true and correct as of the Time of Closing in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier), except as affected by the transactions contemplated by this Agreement;
- (c) all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Vendor at or before the Time of Closing will have been complied with or performed and a certificate of a senior officer of the Vendor to this effect will have been delivered to the Purchaser;
- (d) all consents, assignments, waivers, permits, orders and approvals of all Governmental Authorities or other persons, including, if applicable, all those party to the Material Contracts of the Vendor necessary to permit the completion of the Transaction will have been obtained;
- (e) the Vendor will have incurred at least C\$100,000 of Expenditures on or before August 30, 2025 pursuant to Section 2.05 hereto;
- (f) the Vendor will have delivered the carve-out financial statements for the Arthur Lake Property required by the TSXV in connection with the Filing Statement;

- (g) there being no inquiry or investigation (whether formal or informal) in relation to the Vendor commenced or threatened by any securities commission or official of the TSXV or regulatory body having jurisdiction such that the outcome of such inquiry or investigation could have a Material Adverse Effect on the Vendor, its respective business, assets or financial condition; and
- (h) there will not have been after the date of this Agreement any Material Adverse Effect with respect to the Vendor or the Arthur Lake Property.

The foregoing conditions precedent are for the benefit of the Purchaser and may be waived by the Purchaser, in whole or in part, without prejudice to the Purchaser's right to rely on any other condition in favour of the Purchaser.

3.03 Conditions of Closing in Favour of the Vendor

The obligations of the Vendor to complete the Transaction are subject to the fulfillment of the following conditions on or before the Time of Closing:

- (a) the Purchaser will have tendered all closing deliveries set forth in Section 4.02, including payment of the Closing Cash Payment and the Consideration Shares;
- (b) all consents, waivers, permits, orders and approvals of all Governmental Authorities (including the TSXV) or other persons, including, if applicable, all those party to the Material Contracts of the Purchaser (the "**Purchaser Material Contracts**") necessary to permit the completion of the Transaction will have been obtained;
- (c) the representations and warranties of the Purchaser set forth in this Agreement will have been true and correct as of the Time of Closing in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier), except as affected by the transactions contemplated by this Agreement;
- (d) all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Purchaser at or before the Time of Closing will have been complied with or performed and a certificate of a senior officer of the Purchaser to this effect will have been delivered to the Vendor;
- (e) there will not have been after the date of this Agreement any Material Adverse Effect with respect to the Purchaser or its ability to complete the Transaction;
- (f) the Purchaser shall not be in default of the requirements of the TSXV and any securities commission and no order shall have been issued and currently in effect preventing the Transaction or the trading of any securities of the Purchaser;
- (g) the Consideration Shares will have been approved for issuance by the directors of the Purchaser and will be issued as fully paid and non-assessable shares in the capital of the Purchaser, free and clear of any and all encumbrances, liens, charges and demands of whatsoever nature;
- (h) the payment of the Purchase Price will have been approved by the directors of the Purchaser; and

- (i) there being no inquiry or investigation (whether formal or informal) in relation to the Purchaser or its respective directors or officers commenced or threatened by any securities commission or regulatory body having jurisdiction such that the outcome of such inquiry or investigation could have a Material Adverse Effect on the Purchaser, its business, assets or financial condition.

The foregoing conditions precedent are for the benefit of the Vendor and may be waived by the Vendor, in whole or in part, without prejudice to the Vendor's right to rely on any other condition in favour of the Vendor.

ARTICLE IV CLOSING AND POST CLOSING ARRANGEMENTS

4.01 Time and Place of Closing

Closing of the Transaction will take place at the Time of Closing at the offices of McMillan LLP, Suite 1500, Royal Centre, 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7 or such other place as agreed to by the Vendor and the Purchaser.

4.02 Closing Deliveries of the Purchaser

At the Time of Closing, the Purchaser will deliver or cause to be delivered:

- (a) the Closing Cash Payment;
- (b) share certificates or direct registration system statements evidencing the Consideration Shares endorsed to the Vendor;
- (c) a certified copy of a resolution of the board of directors of the Purchaser approving this Agreement and the Transaction;
- (d) a certificate of good standing, or equivalent, for the Purchaser;
- (e) a certificate signed by an executive officer of the Purchaser to the effect of Sections 3.03(b), 3.03(c) and 3.03(d) dated as of the Closing Date;
- (f) evidence of receipt of all consents, waivers, permits, orders and approvals of all Governmental Authorities (including the TSXV) necessary to permit the completion of the Transaction; and
- (g) all such other documents and agreements as the Vendor's counsel reasonably consider necessary or desirable to give effect to the transactions contemplated by this Agreement.

4.03 Closing Deliveries of the Vendor

At the Time of Closing, the Vendor will:

- (a) initiate a Bill of Sale Process on the MTO in connection with the transfer of a 100% interest in the Arthur Lake Property; and
- (b) deliver or cause to be delivered:

- (i) such documents to evidence the submission before the competent governmental authority of the documents necessary to transfer title to the Arthur Lake Property to the Purchaser and all documents, notices, instruments and forms necessary to give effect to the transactions contemplated by this Agreement;
- (ii) a certified copy of a resolution of the board of directors of the Vendor approving this Agreement and the Transaction;
- (iii) a certificate signed by an executive officer of the Vendor to the effect of Sections 3.02(b), 3.02(c) and 3.02(d) dated as of the Closing Date;
- (iv) all books, records, surveys, plans, files, correspondence, and other data and information of the Vendor relating to the Arthur Lake Property in the possession of the Vendor, including all data and information stored on computer-related or other electronic media, that have not previously been delivered by the Vendor to the Purchaser, if any; and
- (v) all such other documents and agreements as the Purchaser's counsel reasonably consider necessary or desirable to give effect to the transactions contemplated by this Agreement.

ARTICLE V REPRESENTATIONS AND WARRANTIES

5.01 Representations and Warranties of the Purchaser

The Purchaser represents and warrants to and in favour the Vendor as follows, and acknowledges that such parties are relying upon such representations and warranties in connection with the transactions contemplated herein:

- (a) the Purchaser is a corporation validly existing and in good standing under the laws of the British Columbia and is duly registered, licensed or qualified to carry on business under the laws of the jurisdictions in which the nature of its business makes such registration, licensing or qualification necessary;
- (b) the Purchaser has the corporate power and capacity to enter into this Agreement and each additional agreement or instrument to be delivered pursuant to this Agreement, to perform its obligations hereunder and thereunder, to own and lease its property, and to carry on its businesses as now being conducted;
- (c) this Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement will be prior to the Time of Closing, duly authorized, executed and delivered by the Purchaser and each is, or will be at the Time of Closing, a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms;
- (d) the execution and delivery of this Agreement does not, and the consummation of the Transaction will not, (i) result in a breach or violation of the notice of articles or the articles of the Purchaser or of any resolutions of the directors or shareholders of the Purchaser, (ii) conflict with, result in a breach of, constitute a default under or accelerate

the performance required by or result in the suspension, cancellation, material alteration or creation of a Lien upon any material agreement, licence or permit to which the Purchaser is a party or by which the Purchaser is bound or to which any material assets or property of the Purchaser is subject, or (iii) violate any provision of any Applicable Law or regulation or any judicial or administrative order, award, judgment or decree applicable to the Purchaser;

- (e) the Purchaser has conducted and is conducting its business in compliance in all material respects with all Applicable Laws, regulations, by-laws, ordinances, regulations, rules, judgments, decrees and orders of each jurisdiction in which its business is carried on;
- (f) the authorized capital of the Purchaser consists of an unlimited number of Common Shares, of which, as of the date hereof, 8,550,000 Common Shares are issued and outstanding as fully paid and non-assessable; as of the date hereof, 727,500 stock options, and 200,000 broker's warrants to acquire up to 200,000 Common Shares at \$0.10 per Common Share are outstanding;
- (g) the Purchaser is a "reporting issuer" in the provinces of British Columbia and Alberta and is not in any material default of the Securities Laws and is not included on a list of defaulting reporting issuers maintained by the securities regulatory authorities of such provinces, as applicable;
- (h) the Common Shares are listed for trading on the TSXV, and the Purchaser is not in material default of any of the listing requirements of the TSXV;
- (i) when issued in accordance with the terms hereof, the Consideration Shares will be validly issued as fully paid and non-assessable Common Shares and the issuance of the Consideration Shares will be exempt from the prospectus and registration requirements of applicable Securities Laws;
- (j) there are no third party waivers, consents, notices or approvals required to be given or obtained by the Purchaser in connection with the Transaction and the other transactions contemplated by this Agreement under any Contract to which the Purchaser is a party;
- (k) no consent, approval, order or authorization of, or registration or declaration with, any applicable Governmental Authority with jurisdiction over the Purchaser is required to be obtained by the Purchaser in connection with the execution and delivery of this Agreement or the consummation of the Transaction, except for those consents, orders, authorizations, declarations, registrations or approvals which are contemplated by this Agreement or those consents, orders, authorizations, declarations, registrations or approvals that, if not obtained, would not prevent or materially delay the consummation of the Transaction or otherwise prevent or materially delay the Purchaser from performing its obligations under this Agreement and could not reasonably be expected to have a Material Adverse Effect on the Purchaser;
- (l) there is no suit, action or proceeding or, to the knowledge of the Purchaser, pending or threatened against the Purchaser that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect on the Purchaser, and there is no judgment, decree, injunction, rule or order of any Governmental Authority outstanding against the Purchaser causing, or which could reasonably be expected to cause, a Material Adverse Effect on the Purchaser or which would prevent the Purchaser from issuing the Consideration Shares;

- (m) no bankruptcy, insolvency or receivership proceedings have been instituted by the Purchaser or, to the knowledge of the Purchaser, are pending against the Purchaser;
- (n) the Purchaser has all permits, licences, certificates of authority, orders and approvals of, and has made all filings, applications and registrations with, applicable Governmental Authorities that are required in order to permit it to carry on its business as presently conducted, except for such permits, licences, certificates, orders, filings, applications and registrations, the failure to have or make, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on the Purchaser, and all such all permits, licences, certificates of authority, orders and approvals are in good standing in all material respects;
- (o) the Purchaser has filed in the prescribed manner and within the prescribed times all Tax Returns required to be filed by the Purchaser in all applicable jurisdictions as of the date hereof and all Tax Returns that have been filed by, or with respect to the Purchaser are true, complete and correct, report all income and all other amounts and information required to be reported thereon and disclose any Tax required to be paid for the periods covered thereby and the Purchaser has duly and timely paid any Tax due and payable by it, including all instalments on account of Tax that are due and payable before the date hereof, whether or not assessed by the appropriate Governmental Authority, and has duly and timely paid all assessments and reassessments it has received in respect of any Tax, except where any such failure to file Tax Returns or pay Taxes would not result in a Material Adverse Effect for the Purchaser;
- (p) there are no audits, reassessments or other proceedings in progress or, to the knowledge of the Purchaser, threatened against the Purchaser, in respect of any Tax and, in particular, there are no currently outstanding reassessments or written enquiries which have been issued or raised by any Governmental Authority relating to any Tax, and the Purchaser is not aware of any contingent liability of the Purchaser for Tax or any grounds that could prompt an assessment or reassessment for any Tax, and the Purchaser has not received any indication from any Governmental Authority that any assessment or reassessment is proposed;
- (q) the audited financial statements of the Purchaser for the year ended December 31, 2024, (the “**Purchaser Financial Statements**”), copies of which have been filed publicly with the British Columbia Securities Commission and are available on SEDAR+, are true and correct in every material respect and present fairly and accurately the financial position and results of the operations of the Purchaser for the periods then ended and the Purchaser Financial Statements have been prepared in accordance with IFRS applied on a consistent basis;
- (r) no information has come to the attention of the Purchaser since the last date of the most recently issued Purchaser Financial Statements that would or would reasonably be expected to require any restatement or revisions of any such financial statements or constitute a Material Adverse Effect;
- (s) the Purchaser’s auditors who audited the Purchaser Financial Statements are independent public accountants;
- (t) except as disclosed in the Purchaser Financial Statements, there are no related-party transactions or off-balance sheet structures or transactions with respect to the Purchaser;

- (u) except as disclosed in the Purchaser Financial Statements, the Purchaser is not a party to, or bound by, any agreement of guarantee, indemnification, assumption or endorsement or any like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person;
- (v) since December 31, 2024, there has been no material adverse change in the condition (financial or otherwise), assets, liabilities, operations, earnings or business of the Purchaser;
- (w) the Purchaser has deducted, withheld or collected and remitted in a timely manner to the relevant Governmental Authority each Tax or other amount required to be deducted, withheld or collected and remitted by the Purchaser;
- (x) the Purchaser has not been notified by any Governmental Authority of any investigation with respect to it that is pending or threatened, nor has any Governmental Authority notified the Purchaser of such Governmental Authority's intention to commence or to conduct any investigation, that could be reasonably likely to have a Material Adverse Effect on the Purchaser;
- (y) except with respect to any statement in the Public Record which has subsequently been restated or amended by another statement set forth in the Public Record, all the statements set forth in the Public Record were true and correct, in all material respects and did not contain any misrepresentation (as such term is defined in the *Securities Act* (British Columbia)) as of the date of such statements, and the Purchaser has not filed any confidential material change reports under the laws of Canada since the date of such statements which remain confidential as of the date hereof. Other than as disclosed in the Public Record, no material fact or material change has arisen or has been discovered which would have been required to have been stated in the Public Record had the fact arisen or been discovered on, or prior to, the date of such Public Record;
- (z) there is no order, ruling or decision by a court or regulatory or administrative authority that has the effect of prohibiting or restricting the distribution of the Consideration Shares as contemplated hereunder; and
- (aa) to the knowledge of the Purchaser, no representation or warranty of the Purchaser contained in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading.

5.02 Representations and Warranties of the Vendor

The Vendor represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying on such representations and warranties in connection with the transactions contemplated herein:

- (a) the Vendor is a corporation validly existing and in good standing under the laws of the Province of British Columbia and is duly registered, licensed or qualified to carry on business under the laws of the jurisdictions in which the nature of its business makes such registration, licensing or qualification necessary;
- (b) the Vendor has the corporate power and capacity to enter into this Agreement and each additional agreement or instrument to be delivered pursuant to this Agreement, to

perform its obligations hereunder and thereunder to own and lease its property, and to carry on its businesses as now being conducted;

- (c) this Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement will be prior to the Time of Closing, duly authorized, executed and delivered by the Vendor and is, or will be at the Time of Closing, a legal, valid and binding obligation of the Vendor, enforceable against the Vendor in accordance with its terms;
- (d) the execution and delivery of this Agreement does not, and the consummation of the Transaction will not, (i) result in a breach or violation of the notice of articles or articles of the Vendor or of any resolutions of the directors or shareholders of the Vendor, (ii) conflict with, result in a breach of, constitute a default under or accelerate the performance required by or result in the suspension, cancellation, material alteration or creation of an encumbrance upon any material agreement, license or permit to which the Vendor is a party or by which the Vendor is bound or to which any material assets or property of the Vendor is subject, or (iii) violate any provision of any Applicable Law or regulation or any judicial or administrative order, award, judgment or decree applicable to the Vendor;
- (e) the Vendor is the sole legal and beneficial owner of an undivided 100% interest in and to the Arthur Lake Property;
- (f) except for the Purchaser's rights hereunder, no person has any agreement or option or any right or privilege capable of becoming an agreement for the purchase of the Arthur Lake Property;
- (g) the property description of the Arthur Lake Property, including all mining claims and fee tracts, are set forth on Schedule "A" hereto, which schedule is a complete and accurate list of all such. Other than the Permitted Liens, the Arthur Lake Property is or will be prior to the completion of the Transaction, free and clear of any material Liens and no material royalty will be payable in respect of any of them;
- (h) to the best of Vendor's knowledge, the claims comprising the Arthur Lake Property were properly staked, recorded and filed with appropriate governmental agencies, and (i) each mining claim is in good standing; (ii) all governmental fees have been paid and all filings required to maintain each of the claims in good standing have been properly and timely recorded, filed, or paid with the appropriate governmental agencies; and (ii) there are no senior conflicting claims held by a third-party which affect the validity of the mineral claims;
- (i) to the knowledge of the Vendor, there are no claims with respect to Aboriginal rights currently, or pending or threatened, with respect to the Arthur Lake Property;
- (j) to the knowledge of the Vendor, there are no disputes over title to the Arthur Lake Property, and subject to the Permitted Liens, no person other than the Purchaser has any interest in the Arthur Lake Property or the Purchaser's unrestricted right to explore, develop or produce minerals at or from the Arthur Lake Property (subject to Applicable Law), or any right to acquire any such interest;
- (k) there is no outstanding order or direction relating to environmental matters requiring any work, repairs, construction or capital expenditures with respect to the Arthur Lake

Property and the conduct of any operations related thereto, and the Vendor has not received any notice of same and is not aware of any basis on which any such order or direction could be made;

- (l) to the knowledge of the Vendor, there has been no spill, discharge, deposit, leak, emission or other release of any hazardous substance on, into, under or affecting the Arthur Lake Property and no hazardous substance is stored in any type of container on, in or under the Arthur Lake Property;
- (m) the Vendor, as applicable, has complied, in all material respects, with all laws applicable to the Arthur Lake Property or its activities thereon and, without limiting the generality of the foregoing, it has not used any part of the Arthur Lake Property, or permitted any part of the Arthur Lake Property to be used to generate, manufacture, refine, treat, transport, store, handle, dispose of, transfer, produce or process hazardous substances, and, to the knowledge of the Vendor, neither has any other person; and no mineral claim is the subject of any investigation by any governmental authority evaluating whether any remedial action is needed to respond to a release of any hazardous substance into the environment;
- (n) the Vendor has held its interest in the Arthur Lake Property in material compliance with all laws, rules, statutes, ordinances, orders and regulations and the Vendor has not received any notice of any violation thereof, nor is the Vendor aware of any valid basis therefore;
- (o) there are no third party waivers, consents, notices or approvals required to be given or obtained by the Vendor in connection with the Transaction and the other transactions contemplated by this Agreement under any Contract to which the Vendor is a party;
- (p) no consent, approval, order or authorization of, or registration or declaration with, any applicable Governmental Authority with jurisdiction over the Vendor is required to be obtained by the Vendor in connection with the execution and delivery of this Agreement, except for those consents, orders, authorizations, declarations, registrations or approvals which are contemplated by this Agreement or those consents, orders, authorizations, declarations, registrations or approvals that, if not obtained, would not prevent or materially delay the consummation of the Transaction or otherwise prevent or materially delay the Vendor from performing its obligations under this Agreement and could not reasonably be expected to have a Material Adverse Effect on the Vendor;
- (q) no bankruptcy, insolvency or receivership proceedings have been instituted by the Vendor or, to the knowledge of the Vendor, are pending against the Vendor;
- (r) the Vendor has not authorized any person to act as broker or finder or in any other similar capacity in connection with the transactions contemplated by this Agreement that in any manner may or will impose liability on the Purchaser or the Vendor; and
- (s) to the knowledge of the Vendor, no representation or warranty of the Vendor contained in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading.

5.03 Survival of Representations and Warranties

The representations and warranties made by the parties and contained in this Agreement or any document or certificate given pursuant hereto will survive the Closing of the Transaction until the date that is 24 months from the date of Closing. No claim for breach of any representation, warranty or covenant will be valid unless that party against whom such claim is made has been given notice thereof before the expiry of such 24-month period.

**ARTICLE VI
COVENANTS****6.01 Mutual Covenants**

Each of the parties hereby covenants and agrees as follows:

- (a) to use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder which are reasonably under its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under Applicable Laws and regulations to complete the Transaction in accordance with the terms of this Agreement. Without limiting the generality of the foregoing, in the event that any person, including without limitation, any securities regulatory authority, seeks to prevent, delay or hinder implementation of all or any portion of the Transaction or seeks to invalidate all or any portion of this Agreement, the Purchaser and the Vendor will use commercially reasonable efforts to resist such proceedings and to lift or rescind any injunction or restraining order or other order or action seeking to stop or otherwise adversely affecting the ability of the parties to complete the Transaction;
- (b) to use commercially reasonable efforts to finalize the Filing Statement, together with any other documents required by applicable securities and corporate laws in connection with the Transaction, and the Purchaser shall cause the Filing Statement to be filed as required by Applicable Laws as soon as reasonably practicable following Regulatory Approval;
- (c) each of the Purchaser and the Vendor shall promptly notify the other if at any time before the Time of Closing it becomes aware that the Filing Statement contains a misrepresentation, or otherwise requires an amendment or supplement to the Filing Statement. In any such event, the Vendor and the Purchaser shall cooperate in the preparation of a supplement or amendment to the Filing Statement, as required and as the case may be, and, if required, shall cause the same to be filed with the applicable securities authorities;
- (d) to use commercially reasonable efforts to obtain, before the Time of Closing, all authorizations, waivers, exemptions, consents, orders and other approvals from domestic or foreign courts, Governmental Authorities, shareholders and third parties as are necessary for the consummation of the transactions contemplated herein;
- (e) to use commercially reasonable efforts to defend or cause to be defended any lawsuits or other legal proceedings brought against it challenging this Agreement or the completion of the Transaction; neither the Purchaser nor the Vendor will settle or compromise any claim brought against them in connection with the transactions contemplated by this

Agreement prior to the Closing Date without the prior written consent of each of the others, such consent not to be unreasonably withheld or delayed;

- (f) to promptly notify each of the other parties if any representation or warranty made by it in this Agreement ceases to be true and correct in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier) and of any failure to comply in any material respect with any of its obligations under this Agreement;
- (g) to co-operate with each of the other parties hereto in good faith in order to ensure the timely completion of the Transaction; and
- (h) to use commercially reasonable efforts to co-operate with each of the other parties hereto in connection with the performance by the other of its obligations under this Agreement.

6.02 Covenants of the Purchaser

The Purchaser covenants and agrees with the Vendor that, until the earlier of the Closing Date and the date upon which this Agreement is terminated in accordance with Article VII, it will:

- (a) in a timely and expeditious manner:
 - (i) file and/or deliver any document or documents as may be required in order for the Transaction as contemplated herein to be effective; and
 - (ii) file and/or deliver any document or documents required pursuant to Applicable Laws in connection with the Transaction as contemplated herein after the Closing;
- (b) furnish promptly to the Vendor a copy of each notice, report, schedule or other document or communication delivered, filed or received by the Purchaser in connection with or related to the Transaction, any filings under Applicable Laws and any dealings with any Governmental Authority in connection with or in any way affecting the Transaction as contemplated herein;
- (c) commission and pay all costs in connection with the preparation of a technical report in respect of the Arthur Lake Property that is compliant with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* and that is acceptable to the TSXV for purposes of the Transaction;
- (d) use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations set forth in this Agreement and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under all Applicable Laws to complete the Transaction as contemplated herein, including using commercially reasonable efforts to:
 - (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases, licenses, agreements and other Contracts, as applicable;

- (ii) effect all necessary registrations and filings and submissions of information requested by any Governmental Authority required to be effected by it in connection with the Transaction and participate and appear in any proceedings of either the Purchaser or the Vendor before any Governmental Authority to the extent permitted by such authorities; and
- (iii) fulfill all conditions and satisfy all provisions of this Agreement and the Transaction;
- (e) conduct its business only in the ordinary and normal course consistent with past practice and shall not, without the prior written consent of the Vendor, enter into any transaction or refrain from taking any action that, if effected before the date of this Agreement, would constitute a breach of any of its representations, warranties, covenants or other obligations contained herein; and
- (f) subject to Applicable Laws or as authorized by this Agreement, not take any action, refrain from taking any action, or permit any action to be taken or not taken inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Transaction.

6.03 Covenants of the Vendor

The Vendor covenants and agrees with the Purchaser that, until the earlier of the Closing Date and the date upon which this Agreement is terminated in accordance with Article VII, it will:

- (a) make available and afford the Purchaser and its authorized representatives and, if requested by the Purchaser, provide a copy of all title documents, contracts, financial statements, plans, reports, licences, orders, permits, books of account, accounting records and all other documents, information and data relating to the Arthur Lake Property. At the request of the Purchaser, the Vendor will execute or cause to be executed such consents, authorizations and directions as may be necessary to permit any inspection of the Arthur Lake Property or to enable the Purchaser or its authorized representatives to obtain full access to all files and records relating to the Arthur Lake Property maintained by governmental or other public authorities. The exercise of any rights of inspection by or on behalf of Purchaser under this Section 6.03(a) will not mitigate or otherwise affect the representations and warranties of the Vendor hereunder;
- (b) furnish promptly to the Purchaser a copy of each notice, report, schedule or other document or communication delivered, filed or received by the Vendor in connection with or related to the Transaction, any filings under Applicable Laws and any dealings with any Governmental Authority in connection with or in any way affecting the Transaction as contemplated herein;
- (c) use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations set forth in this Agreement to the extent the same are within its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under all Applicable Laws to complete the Transaction, including using commercially reasonable efforts to:
 - (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases, licenses, agreements and other Contracts;

- (ii) effect all necessary registrations and filings and submissions of information requested by any Governmental Authority required to be effected by it in connection with the Transaction and participate and appear in any proceedings of either the Vendor or the Purchaser before any Governmental Authority to the extent permitted by such authorities; and
- (iii) fulfill all conditions and satisfy all provisions of this Agreement and the Transaction;
- (d) subject to Applicable Laws or as authorized by this Agreement, not take any action, refrain from taking any action, or permit any action to be taken or not taken inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Transaction;
- (e) conduct their business only in the ordinary and normal course consistent with past practice and shall not, without the prior written consent of the Purchaser, enter into any transaction or refrain from taking any action that, if effected before the date of this Agreement, would constitute a breach of any of its representations, warranties, covenants or other obligations contained herein;
- (f) use its best efforts to preserve intact the Arthur Lake Property and to promote and preserve for the Purchaser the goodwill of suppliers, service providers and others having business relations with the Vendor in relation to the Arthur Lake Property;
- (g) except as may be necessary or desirable in order to effect the Transaction as contemplated hereunder, not alter or amend its articles or notice of articles as the same exist at the date of this Agreement; and
- (h) take all necessary corporate action and proceedings to approve and authorize the valid and effective transfer of the Arthur Lake Property to the Purchaser.

ARTICLE VII TERMINATION

7.01 Termination

This Agreement may be terminated in writing at any time prior to the Closing:

- (a) by mutual written consent of the Purchaser and the Vendor;
- (b) by the Purchaser, if there has been a material breach by the Vendor of any representation, warranty, covenant or agreement set forth in this Agreement or any of the documents contemplated hereby which breach would result in the failure to satisfy one or more of the conditions set forth in Section 3.02 which the Vendor fails to cure within thirty (30) Business Days after written notice thereof is given by the Purchaser;
- (c) by the Vendor if there has been a material breach by the Purchaser of any representation, warranty, covenant or agreement set forth in this Agreement or any of the documents contemplated hereby which breach would result in the failure to satisfy one or more of

the conditions set forth in Section 3.03 which the Purchaser fails to cure within thirty (30) Business Days after written notice thereof is given by the Vendor; and

- (d) by any party, if any permanent injunction or other order of a court or other competent authority preventing the Closing will have become final and non-appealable; provided, however, that no party will be entitled to terminate this Agreement if such party's material breach of this Agreement or any of the documents contemplated hereby has resulted in such permanent injunction or order.

7.02 Effect of Termination

Upon termination of this Agreement in accordance with the terms hereof, the parties hereto will have no further obligations under this Agreement, except that the obligations Sections 9.02 and 9.07 will survive; provided, however, that if the that if this Agreement is terminated by a party because of a material breach of a representation or warranty, covenant, obligation or other provision of this Agreement by the other party, the terminating party's right to pursue all legal remedies with respect to such breach will survive such termination unimpaired. Upon termination, the parties agree to execute and deliver a recordable release and termination of this Agreement.

ARTICLE VIII INDEMNIFICATION

8.01 Indemnification by the Purchaser

Subject to Section 5.03, the Purchaser will indemnify and save the Vendor harmless for and from:

- (a) any loss, damages, claims, obligations, penalties, judgements, settlement payments, awards, fines, liabilities, deficiencies, costs or expenses (a "**Loss**") suffered by the Vendor as a result of any breach of representation, warranty or covenant on the part of the Purchaser contained in this Agreement or in any certificate or document delivered pursuant to or contemplated by this Agreement; and
- (b) all claims, demands, costs and expenses, including legal fees, in respect of the foregoing.

8.02 Indemnification by the Vendor

Subject to Section 5.03, the Vendor will indemnify and save the Purchaser harmless for and from:

- (a) any Loss suffered by the Purchaser as a result of any breach of representation, warranty or covenant on the part of the Vendor contained in this Agreement or in any certificate or document delivered pursuant to or contemplated by this Agreement; and
- (b) all claims, demands, costs and expenses, including legal fees, in respect of the foregoing.

8.03 Notice of Claim

A party entitled to and seeking indemnification pursuant to the terms of this Agreement (the "**Indemnified Party**") will promptly give written notice to the party or parties, as applicable, responsible for indemnifying the Indemnified Party (the "**Indemnifying Party**") of any claim for indemnification pursuant to Sections 8.01 and 8.02 (a "**Claim**", which term will include more than one Claim). Such notice will specify whether the Claim arises as a result of a claim by a person against the Indemnified

Party (a “**Third Party Claim**”) or whether the Claim does not so arise (a “**Direct Claim**”), and will also specify with reasonable particularity (to the extent that the information is available):

- (a) the factual basis for the Claim; and
- (b) the amount of the Claim, or, if any amount is not then determinable, an approximate and reasonable estimate of the likely amount of the Claim.

8.04 Procedure for Indemnification

- (a) Direct Claims. With respect to Direct Claims, following receipt of notice from the Indemnified Party of a Claim, the Indemnifying Party will have 30 days to make such investigation of the Claim as the Indemnifying Party considers necessary or desirable, acting reasonably. For the purpose of such investigation, the Indemnified Party will make available to the Indemnifying Party the information relied upon by the Indemnified Party to substantiate the Claim. If the Indemnified Party and the Indemnifying Party agree at or prior to the expiration of such 30 day period (or any mutually agreed upon extension thereof) to the validity and amount of such Claim, the Indemnifying Party will immediately pay to the Indemnified Party the full agreed upon amount of the Claim.
- (b) Third Party Claims. With respect to any Third Party Claim, the Indemnifying Party will have the right, at its own expense, to participate in or assume control of the negotiation, settlement or defence of such Third Party Claim and, in such event, the Indemnifying Party will reimburse the Indemnified Party for all the Indemnified Party’s commercially reasonable out-of-pocket expenses incurred as a result of such participation or assumption. If the Indemnifying Party elects to assume such control, the Indemnified Party will cooperate with the Indemnifying Party, will have the right to participate in the negotiation, settlement or defence of such Third Party Claim at its own expense and will have the right to disagree on reasonable grounds with the selection and retention of counsel, in which case counsel satisfactory to the Indemnifying Party and the Indemnified Party will be retained by the Indemnifying Party. If the Indemnifying Party, having elected to assume such control, thereafter fails to defend any such Third Party Claim within a reasonable time, the Indemnified Party will be entitled to assume such control and the Indemnifying Party will be bound by the results obtained by the Indemnified Party with respect to such Third Party Claim.

8.05 General Indemnification Rules

The obligations of the Indemnifying Party to indemnify the Indemnified Party in respect of Claims will also be subject to the following:

- (a) without limiting the generality of Sections 8.01 and 8.02, any Claim for breach of any representation, warranty or covenant will be subject to Section 5.03;
- (b) the Indemnifying Party’s obligation to indemnify the Indemnified Party will only apply to the extent that the Claims in respect of which the Indemnifying Party has given an indemnity, in the aggregate, exceed \$5,000;
- (c) notwithstanding anything to the contrary in this Agreement, the aggregate liability of the Vendor or the Purchaser to any and all Indemnified Parties under this Article VIII will be limited to the Purchase Price. For greater certainty, the Purchase Price includes the

deemed issue price of the Consideration Shares and the amount of the Closing Cash Payment;

- (d) if any Third Party Claim is of a nature such that the Indemnified Party is required by Applicable Laws to make a payment to any person (a “**Third Party**”) with respect to such Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnified Party may make such payment and thereafter seek reimbursement from the Indemnifying Party for any such payment. If any Indemnifying Party pays, or reimburses an Indemnified Party in respect of any Third Party Claim before completion of settlement negotiations or related legal proceedings, and the amount of any liability of the Indemnified Party under the Third Party Claim in respect of which such a payment was made, as finally determined, is less than the amount which was paid by the Indemnifying Party, the Indemnified Party will, forthwith after receipt of the difference from the Third Party, pay the amount of such difference to the Indemnifying Party;
- (e) whether or not the Indemnifying Party assumes control of the negotiation, settlement or defence of any Third Party Claim, the Indemnified Party will not negotiate, settle, compromise or pay any Third Party Claim except with the prior written consent of the Indemnifying Party (which consent will not be unreasonably withheld);
- (f) the Indemnified Party will not permit any right of appeal in respect of any Third Party Claim to terminate without giving the Indemnifying Party notice and an opportunity to contest such Third Party Claim;
- (g) the Indemnified Party and the Indemnifying Party will cooperate fully with each other with respect to Third Party Claims and will keep each other fully advised with respect thereto (including supplying copies of all relevant documentation promptly as it becomes available);
- (h) the provisions of this Article VIII will constitute the sole remedy available to a party against another party with respect to any and all breaches of any agreement, covenant, representation or warranty made by such other party in this Agreement;
- (i) the right of any party to indemnification, payment, reimbursement, or other remedy based upon any representation, warrant, covenant or obligation contained in this Agreement will not be affected by any investigation conducted by or on behalf of such party or any knowledge acquired by such party at any time, whether before or after the execution and delivery of this Agreement or the Closing Date, with respect to the accuracy or inaccuracy of, or compliance with, such representation, warranty, covenant or obligation; and
- (j) the Indemnifying Party waives any right it may have to require the Indemnified Party to proceed against or enforce any other right, power, remedy or security or to claim payment from any other person before claiming under the indemnity provided for in this Agreement. It is not necessary for the Indemnified Party to incur expense or make payment before enforcing that indemnity.

**ARTICLE IX
GENERAL**

9.01 Notices

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement (each, a “**notice**”) will be in writing will be in writing addressed as follows:

- (a) if to the Vendor:

Primary Hydrogen Corp.
540 5 Avenue SW, Suite 1410
Calgary, Alberta, T2P 0M2, Canada

Attention: Benjamin Asuncion
Email: *[Email Redacted]*

with a courtesy copy (which copy will not constitute notice to the Vendor) to:

Borden Ladner Gervais LLP
1200-200 Burrard St.
Vancouver BC V6C 3L6, Canada

Attention: Deepak Gill
Email: *[Email Redacted]*

- (b) if to the Purchaser:

J4 Ventures Inc.
503 905 West Pender St.
Vancouver, British Columbia
V6C 1L6, Canada

Attention: Jeremy Poirier
Email: *[Email Redacted]*

with a courtesy copy (which copy will not constitute notice to the Purchaser) to:

McMillan LLP
1055 West Georgia Street Suite 1500
P.O. Box 11117, Vancouver B.C. V6E 4N7

Attention: Desmond Balakrishnan
Email: *[Email Redacted]*

or such other address as may be designated by notice given by either the Vendor or the Purchaser to the other in accordance with this Section 9.01. Each notice will be personally delivered to the addressee or sent by e-mail to the addressee and a notice which is personally delivered or sent by email will, if delivered or sent prior to 4:00 p.m. (local time of the recipient) on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the next Business

Day. Any notice delivered to the Vendor in accordance with this Section 9.01 prior to the Time of Closing will be deemed to have been delivered to the Vendor.

9.02 Confidentiality

Prior to Closing and, if the Transaction is not completed, at all times thereafter, each of the parties hereto will keep confidential and refrain from using all information obtained by it in connection with the transactions contemplated by this Agreement relating to any other party hereto, provided however that such obligation will not apply to any information which was in the public domain at the time of its disclosure to a party or which subsequently comes into the public domain other than as a result of a breach of such party's obligations under this Section 9.02. For greater certainty, nothing contained herein will prevent any disclosure of information which may be required pursuant to Applicable Laws or pursuant to an order in judicial or administrative proceedings or any other order made by any Governmental Authority.

9.03 Assignment

No party may assign this Agreement or its rights or obligations hereunder without the prior written consent of the other parties hereto, such consent not to be unreasonably withheld or delayed.

9.04 Binding Effect

This Agreement will be binding upon and will enure to the benefit of the parties hereto and their respective heirs, successors and permitted assigns.

9.05 Waiver

No waiver of any provision of this Agreement will constitute a waiver of any other provision, nor will any waiver constitute a continuing waiver unless otherwise expressly provided.

9.06 Governing Law

This Agreement will be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and is to be treated in all respects as a British Columbia contract.

9.07 Expenses

Each party will be responsible for its own costs and expenses incurred with respect to the transactions contemplated herein.

9.08 No Personal Liability

- (a) No director, officer, employee or agent of the Purchaser will have any personal liability whatsoever to the Vendor under this Agreement or any other document delivered in connection with the Transaction on behalf of the Purchaser.
- (b) No director, officer, employee or agent of the Vendor will have any personal liability whatsoever to the Purchaser under this Agreement or any other document delivered in connection with the Transaction on behalf of the Vendor.

9.09 Time of Essence

Time is of the essence of this Agreement and of each of its provisions.

9.10 Public Announcements

The Vendor and the Purchaser will co-operate with the other in releasing information concerning this Agreement and the transactions contemplated herein, and will furnish to and discuss with the other drafts of all press and other releases prior to publication. No press release or other public announcement concerning the proposed transactions contemplated by this Agreement will be made by any party hereto without the prior consent of the other parties, such consent not to be unreasonably withheld or delayed; provided that nothing contained herein will prevent any party hereto at any time from furnishing any information to any Governmental Authority or to the public if so required by Applicable Laws.

9.11 Further Assurances

Each party will, upon request but without further consideration, from time to time promptly execute and deliver all further documents and take all further action necessary or appropriate to give effect to and perform the provisions and intent of this Agreement and to complete the transactions contemplated herein.

9.12 Entire Agreement

This Agreement, together with the documents required to be delivered pursuant to this Agreement, constitute the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and discussions, whether oral or written, between the parties hereto with respect to the subject matter hereof, including the LOI. There are no representations, warranties, covenants or conditions with respect to the subject matter hereof except as contained in this Agreement and any document delivered pursuant to this Agreement.

9.13 Amendments

No amendment of any provision of this Agreement will be binding on any party unless consented to in writing by such party.

9.14 Severability

In the event that any provision or part of this Agreement is determined by any court or other judicial or administrative body to be illegal, null, void, invalid or unenforceable, that provision will be severed to the extent that it is so declared and the other provisions of this Agreement will continue in full force and effect.

9.15 Successors

This Agreement is binding on, and enures to the benefit of, the parties and their respective successors.

9.16 Remedies Cumulative

The rights and remedies of the parties under this Agreement are cumulative and in addition to and not in substitution for any rights or remedies provided by law. Any single or partial exercise by any party hereto of any right or remedy for default or breach of any term, covenant or condition of this Agreement

does not waive, alter, affect or prejudice any other right or remedy to which such party may be lawfully entitled for the same default or breach.

9.17 Counterparts

This Agreement may be executed and delivered in one or more counterparts and may be executed and delivered by facsimile or any other electronically communicated method, each of which when executed and delivered will be deemed an original and all of which counterparts together will be deemed to constitute one and the same instrument.

[Signature pages follow.]

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto on the date first above written.

PRIMARY HYDROGEN CORP.

By: “Benjamin Asuncion”
Name: Benjamin Asuncion
Title: Chief Executive Officer

J4 VENTURES INC.

By: “Jeremy Poirier”
Name: Jeremy Poirier
Title: Chief Executive Officer

SCHEDULE A

Arthur Lake Property

| <u>Title Number</u> | <u>Claim Name</u> | <u>Owner</u> | <u>Title Type</u> | <u>Title Sub Type</u> | <u>Map Number</u> | <u>Issue Date</u> | <u>Good To Date</u> | <u>Status</u> | <u>Area (ha)</u> |
|-------------------------|-------------------|----------------------------|-------------------|-----------------------|----------------------|-------------------|---------------------|---------------|------------------|
| 1078795 | ARTHUR ONE | 287557 100 | Mineral | Claim | 093F | 2020/SEP/21 | 2032/SEP/21 | GOOD | 288.00 |
| 1078796 | ARTHUR TWO | 287557 100 | Mineral | Claim | 093F | 2020/SEP/21 | 2032/SEP/21 | GOOD | 288.00 |

SCHEDULE B

Calculation of Royalty

This is Schedule B to the Mineral Property Purchase Agreement (the “**Agreement**”) dated as of August 5, 2025 between Primary Hydrogen Corp. (the “**Royalty Holder**”) and J4 Ventures Inc. (the “**Royalty Payor**”).

Unless otherwise defined, all capitalized terms used in this Schedule B shall have the meaning ascribed thereto under the Agreement.

1. Definition

- (1) “**Net Smelter Returns**” for purposes of the Agreement is defined as follows:
 - (a) where all or a portion of the ores or concentrates derived from the Arthur Lake Property are sold as ores or concentrates, the Net Smelter Return shall be the gross amount actually received from the purchaser following sale thereof after deduction, if applicable under the sale contract, of all smelter charges, penalties and other deductions, and after deducting all costs of transporting (including shipping, freight, handling, port, demurrage, delay and forwarding expenses and transaction taxes) and insuring the ores or concentrates from the mine to the smelter or other place of final delivery, including any place or places of storage and sale to the place where sold and after deducting all sales, use, gross receipts, severance, ad valorem, value added tax, export and other taxes, custom duties, and other governmental charges, if any, payable by the Royalty Payor with respect to the existence, severance, production, removal, sale, import, export, transportation, or disposition of all or a portion of the ores or concentrates derived from the Arthur Lake Property but excluding taxes based on net or gross income and like taxes, the value of the Arthur Lake Property or the privilege of doing business and any value added or other taxes that are recoverable by the Royalty Payor and any and all insurance proceeds; or
 - (b) where all or a portion of the said ores or concentrates derived from the Arthur Lake Property are treated in a smelter and a portion of the metals recovered therefrom are delivered to, and sold by the Royalty Payor, the Net Smelter Return shall be the gross amount actually received from the purchaser following sale of the metals so delivered, after deduction of all smelter charges, penalties and other deductions, and after deducting all costs of transporting (including shipping, freight, handling, port, demurrage, delay and forwarding expenses and transaction taxes) and insuring the ores or concentrates from the mine to the smelter, and, if applicable under the smelter contract, all costs of transporting (including shipping, freight, handling, port, demurrage, delay and forwarding expenses and transaction taxes) and insuring the metals from the smelter to the place of final delivery, including any place or places of storage and sale to the place where sold and after deducting all sales, use, gross receipts, severance, ad valorem, value added tax, export and other taxes, custom duties, and other governmental charges, if any, payable by the Royalty Payor with respect to the existence, severance, production, removal, sale, import, export, transportation, or disposition of all or a portion of the ores or concentrates derived from the Arthur Lake Property but excluding taxes based on net or gross income and like taxes,

the value of the Arthur Lake Property or the privilege of doing business and any value added or other taxes that are recoverable by the Royalty Payor and any and all insurance proceeds.

Where any ores or concentrates are sold to, or treated in, a smelter owned or controlled by the Royalty Payor, the pricing for that sale or treatment will be established by the Royalty Payor on an arms-length basis so as to be fairly competitive with pricing, net of transportation, insurance, treatment charges and other related costs, then available on world markets for product of like quantity and quality.

2. Term of Net Smelter Returns Royalty

The Royalty shall exist in perpetuity. The Royalty shall not be terminated by reason of the suspension of operations or closure of any mine or mining operations on the Arthur Lake Property. The Royalty Payor and the Royalty Holder agree that the Royalty shall run with and bind to the title of the Arthur Lake Property.

3. Payment of Net Smelter Returns Royalty

- (1) The obligation to pay the Royalty shall commence upon the date of this Agreement.
- (2) The Royalty Payor shall calculate the Royalty and the sums to be disbursed to the Royalty Holder as at the end of each calendar quarter.
- (3) The Royalty Payor shall, within 60 days of the end of each calendar quarter, as and when any Royalty are available for distribution:
 - (a) pay or cause to be paid in Canadian dollars by cheque or money order made payable to the Royalty Holder that percentage of the Royalty to which the Royalty Holder is entitled under the Agreement;
 - (b) deliver to the Royalty Holder a statement indicating:
 - (i) the gross amounts received from the purchaser contemplated in §1(1) of this Schedule B;
 - (ii) the deductions therefrom in accordance with §1(1) of this Schedule B;
 - (iii) the amount of Net Smelter Returns remaining; and
 - (iv) the amount of those Net Smelter Returns to which the Royalty Holder is entitled;

supported by such reasonable information as to the tonnage and grade of ores or concentrates shipped as will enable the Royalty Holder to verify the gross amount payable by the smelter or other purchaser.

4. Interest

Interest on any amounts of Royalty not paid when due in accordance with Section 2(3) of this Schedule B shall accrue at that variable rate per annum which is equal to the floating annual rate of interest established from time to time by the Royal Bank of Canada as the base rate it will use to determine rates

of interest on Canadian Dollar loans to customers in Canada and designated as its prime rate (the “Prime Rate”) plus two percent (2%), adjusted immediately without notice on each change in the Prime Rate. Interest will accrue before and after default, maturity and judgement.

5. Adjustments and Verification

- (1) Payment of any Royalty by the Royalty Payor shall not prejudice the right of the Royalty Holder to adjust any statement supporting the payment; provided, however, that all statements presented to the Royalty Holder by the Royalty Payor for any quarter shall conclusively be presumed to be true and correct upon the expiration of 12 months following the end of the quarter to which the statement relates, unless within that 12-month period the Royalty Payor give notice to the Royalty Holder claiming an adjustment to the statement which will be reflected in subsequent payment of Royalty.
- (2) The Royalty Payor shall not adjust any statement in favour of itself after the expiration of 12 months following the end of the quarter to which the statement relates.
- (3) The Royalty Holder shall, upon 30 days’ notice in advance to the Royalty Payor, have the right to request that the Royalty Payor have its independent external auditors provide their audit certificate for the statement or adjusted statement, as it may relate to the Agreement and the calculation of Net Smelter Return or Royalty.
- (4) The cost of the audit certificate shall be solely for the Royalty Holder’s account unless the audit certificate discloses material error in the calculation of Net Smelter Return or Royalty, in which case the Royalty Payor shall reimburse the Royalty Holder the cost of the audit certificate. Without limiting the generality of the foregoing, a discrepancy of one percent or more in the calculation of Net Smelter Return or Royalty shall be deemed to be material.

6. Hedging

In the event that the Royalty Payor elects to engage in hedging or price protection activities, including, but not limited to, forward selling, metal loans, stockpiling, future trading or commodity options trading, and any other price hedging, price protection, and speculative arrangement on or off commodity exchanges that may involve any minerals concentrates or metals produced from the Property or any similar such actions (“**Hedging Activities**”), such Hedging Activities and the profits and losses generated from the Hedging Activities, shall not be included in the term “Net Smelter Returns”. All Hedging Activities by the Royalty Payor and all profits or losses associated therewith, if any, shall be solely for the Royalty Payor’s account.

7. Registration of Royalty

The parties agree that to the extent permissible at law, the Royalty on the Property shall be registerable or otherwise recordable in all public places where interests in land in respect of the Property are recordable and the Royalty Payor shall, at the Royalty Payor’s sole cost and expense, execute, deliver, file, register and record such further documents as may be necessary for the timely and effective recording or registration of a caution, conveyance, mortgage, notice or caveat in respect of this Agreement, in such public places.

8. Non-Arms Length Sales

If any portion of the minerals, metals or concentrates extracted and derived from the ore mined and removed from the Property are sold to a purchaser owned or controlled by the Royalty Payor or treated by a smelter owned or controlled by the Royalty Payor, the actual proceeds received shall be deemed to be an amount equal to what could be obtained from a purchaser or a smelter not so owned or controlled in respect of minerals, metals or concentrates, as applicable, of like grade, quality and quantity.

9. Confidentiality

The Royalty Holder shall not, without the prior written consent of the Royalty Payor, which shall not be unreasonably delayed or withheld, knowingly disclose to any third party data or information obtained pursuant to this Agreement which is not generally available to the public; provided, however, the Royalty Holder may disclose data or information so obtained without consent of the Royalty Payor: (a) if required for compliance with laws, rules, regulations or orders of a governmental agency or stock exchange; or (b) to any third party to whom the Royalty Holder, in good faith, anticipates selling or assigning their interest in the Property, provided however, that any such third party to whom disclosure is made has a legitimate business need to know the disclosed information, and shall first agree in writing to protect the confidential nature of such information to the same extent the Royalty Holder is obligated under this section.

10. Records

The Royalty Payor shall use commercially reasonable efforts to keep or cause to be kept proper books of account, records and supporting materials covering all matters relevant to the mining and extraction and removal of minerals, metals and concentrates from the Property substantiated by engineering data compiled in accordance with generally accepted mining and mine management practices.

11. Interest in Land

The obligation of the Royalty Payor to pay the Royalty as provided in this Agreement is an obligation which the parties intend, to the extent allowed by law, to create a vested interest in the Property, or any successor title, and an interest in the minerals, metals and concentrates extracted and removed from the Property and such royalty is intended to run with and form part of the Property.

12. Commingling

Minerals, metals and concentrates extracted and removed from the Property may be integrated with and operated as a single operation with other mining properties owned by third parties or in which the Royalty Payor has an interest, in which event, the parties agree that (notwithstanding separate ownership thereof) all materials mined, extracted and removed from such other mining properties owned by third parties and subsequently milled, treated or otherwise beneficiated for the purpose of removing its mineral content (the “**Third Party Ore**”) may be blended and commingled at the time of mining or at anytime thereafter with the minerals, metals or concentrates from the Property, provided however, that such commingling is accomplished only after the quantity, character and mineral content of any minerals have been determined or ascertained by sound assaying or engineering principles consistently applied and provided further that each respective mining property shall bear and have allocated to them the proportionate share of charges and costs described in §1 above as well as the proportionate share of costs and charges affected by the tonnages and respective characteristics of Third Party Ore and other materials mined and beneficiated and the characteristics of such material including the metal content of such minerals, metals or concentrates removed from, and to any special charges relating particularly to Third Party Ores, concentrates or other products or the treatment thereof derived from any such mining properties.

13. Weighing Sampling Assaying

The Royalty Payor shall ensure that reasonable customary and usual practices and procedures are adopted and employed for weighing, determining moisture content, sampling and assaying and determining recovery factors for the mineral, metals and concentrates extracted, derived and removed from the Property and Third Party Ores and shall record such data in order to determine the amount of economically recoverable materials extracted or derived from such minerals, metals and concentrates and Third Party Ores. The Royalty Payor shall maintain accurate records of the results of such sampling, weighing and analysis and the Royalty Holder shall be permitted the right to examine, at all reasonable times and at its own cost, such records relating to any blending and commingling of minerals, metals and concentrates and Third Party Ores.

14. Mining Methods

The Royalty Payor shall have the sole and exclusive right to determine the timing, nature, manner and extent of any production from the Arthur Lake Property and all related exploration, development, operational and mining activities and may suspend operations and production on the Arthur Lake Property at any time it considers prudent or appropriate to do so. Nothing in this Agreement shall require the Royalty Payor to explore, develop or mine or continue operations on the Arthur Lake Property or to process ores from the Arthur Lake Property. The Royalty Payor shall not be responsible for nor be obliged to make any Royalty payments for values lost in any mining or processing of the materials conducted pursuant to customary mining practices. The Royalty Payor shall not be required to mine or to preserve or protect the materials which under customary mining practices cannot be mined or shipped at a reasonable profit at the time mined.

15. Transfers

- (1) The Royalty Payor shall be entitled to transfer the Arthur Lake Property or the minerals in situ or the proceeds thereof (a “**Transfer**”), or its rights and obligations under this Agreement to any Person (a “**Transferee**”) by any means whatsoever (including by way of joint venture or grant of an option of an interest in and to the Arthur Lake Property), provided that (i) the Royalty Payor provides the Royalty Holder with 30 days prior written notice of the intent to Transfer; (ii) as a condition to completion of the Transfer, any Transferee shall have first entered into an agreement with the Royalty Holder in form and substance satisfactory to the Royalty Holder, acting reasonably, under which the Transferee assumes the obligations of the Royalty Payor under this Agreement; and (iii) the Royalty Holder does not suffer a Material Adverse Effect in relation to the transactions set forth in this Agreement. From and after the execution of such agreement, the Royalty Payor will be released from any obligations and liabilities under this Agreement (to the extent of the interest so Transferred) other than obligations and liabilities existing or accrued as at the time of Transfer.
- (2) The Royalty Holder may sell, transfer, assign, convey, mortgage, pledge or charge any portion or all of its interest in the Royalty on the provision of 30 days prior written notice to the Royalty Payor. Prior to the consummation of any such transfer, the transferee or other assignee of the Royalty Holder must enter into an agreement, in form and content satisfactory to the Royalty Payor acting reasonably, agreeing to be bound by the terms of this Agreement in connection with the Royalty as if it were an original signatory hereto.

16. Surrender and Abandonment

The Royalty Payor shall be free to surrender, abandon, relinquish or allow to lapse or expire such portions of the Arthur Lake Property as it may deem advisable from time to time, provided the Royalty Payor provide at least 30 days written notice to the Royalty Holder of its intention to do so and shall, if requested by the Royalty Holder by written notice to Royalty Payor within that period of time, transfer (and, if applicable, deliver duly executed transfers) to the Royalty Holder all or any portions of the Arthur Lake Property so intended to be dealt with, in consideration for the payment of \$1.00, with each tenure so transferred to be in good standing for at least one year from the date of the original notice from the Royalty Payor, in which case any portion of the Arthur Lake Property so transferred shall cease to be included in the Arthur Lake Property and shall cease to be subject to this Agreement (and in respect of the foregoing, the parties shall promptly execute an agreement to amend this Agreement to remove such portion of the Arthur Lake Property so transferred from the list of Arthur Lake Property), provided that any such transfer of tenure shall be completed without warranty from the Royalty Payor on an “as is where is” basis.

17. Access Rights

Upon not less than five Business Days’ notice to the Royalty Payor, the Royalty Holder, or its authorized agents or representatives, may, under the direction and control of the Royalty Payor, enter upon all surface and subsurface portions of the Arthur Lake Property for the purpose of inspecting the Arthur Lake Property, all improvements thereto and operations thereon, and all production records and data pertaining to all production activities and operations on or with respect to the Arthur Lake Property, including without limitation, records and data that are electronically maintained. The Royalty Holder, or its authorized agents or representatives, shall enter upon the Arthur Lake Property at their own risk and expense and shall not hinder the operations and activities of the Royalty Payor or other operators on or relating to the Arthur Lake Property.