

This **AMENDING AGREEMENT NO. 1** made effective as of the 25th day of September, 2021.

AMONG:

AMERICAN WEST METALS LIMITED, a company duly incorporated pursuant to the laws of Australia and having an office address at Suite 2, 28 Ord Street, West Perth, Western Australia, 6005, Australia (hereinafter referred to as "**American West Parent**")

- and -

WEST DESERT METALS, INC., a company duly existing under the laws of Utah, USA and a wholly owned subsidiary of American West Parent and having its principal office at c/o Matthew S. Brahana, 215 S. State Street, Suite 1200, Salt Lake City, Utah 84111, USA (hereinafter referred to as "**West Desert Metals**")

- and -

INZINC MINING LTD., a corporation duly existing under the federal laws of Canada and having its registered office at Suite 2300, 550 Burrard Street, Vancouver, British Columbia, V6C 2B5, Canada (hereinafter referred to as "**InZinc**")

- and -

NPR (US), INC., a company duly existing under the laws of Nevada, USA and a wholly owned subsidiary of InZinc and having its registered office at 6560 SW McCarran Blvd Ste A, Reno, Nevada, 89509, USA (hereinafter referred to as "**NPR**")

WHEREAS American West Parent, West Desert Metals, InZinc and NPR (collectively, the "**Parties**" and each, a "**Party**") entered into an Option Agreement dated April 15, 2021 (the "**Original Agreement**");

AND WHEREAS West Desert Metals made the Initial Option Payment in the amount of USD\$500,000 to InZinc on June 1, 2021;

AND WHEREAS the Parties wish to amend certain terms of the Original Agreement in accordance with the terms and conditions hereof;

NOW THEREFORE in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, including a cash payment by West Desert Metals to InZinc in the amount of USD\$125,000 on the date hereof, the receipt and sufficiency of which are hereby acknowledged by the Parties hereto, the Parties mutually agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

Capitalized terms used in this Agreement and not otherwise defined herein have the meanings specified in the Original Agreement.

In this Agreement:

- (a) “**Agreement**” means this Amending Agreement No. 1 as the same may be supplemented, amended, restated, modified or superseded from time to time in accordance with the terms hereof.
- (b) “**Amendment Conditions**” has the meaning set out in Section 2.1 of this Agreement.
- (c) “**Original Agreement**” has the meaning set out in the recitals hereto.
- (d) “**Parties**” or “**Party**” has the meaning set out in the recitals hereto.

1.2 Interpretation

- (a) Unless the context otherwise requires, words importing the singular include the plural and vice versa, words importing gender include all genders, “**or**” is not exclusive and “**including**” is not limiting, whether or not non-limiting language (such as “**without limitation**”) is used.
- (b) The division of this Agreement into Articles and Clauses, the provision of any index hereto and the insertion of headings are for convenience of reference only and are not intended to affect the construction or interpretation hereof.

ARTICLE 2 AMENDMENTS

2.1 Amendments to Section 2.1 of the Original Agreement

Subject to and conditional upon: (i) American West Parent receiving valid, binding and irrevocable applications for not less than AUD\$17,000,000 pursuant to an IPO for the issue of not less than 85,000,000 Shares at an issue price of AUD\$0.20 per Share; and (ii) receipt by American West Parent of ASX conditional approval to admit the securities of American West Parent to the official list of ASX on terms and conditions reasonably acceptable to American West Parent (together, the “**Amendment Conditions**”), Section 2.1 of the Original Agreement is hereby deleted in its entirety and the following is substituted therefor:

- "2.1 Upon and subject to the terms and conditions of this Option Agreement, the Sellers grant to American West the Option on an exclusive basis. American West can exercise the Option by making USD\$500,000 (the “**Initial Option Payment**”), CAD\$1,000,000 and USD\$1,225,000 in cash payments, and, subject to Section 2.3(b), delivering CAD\$2,500,000 worth of Shares of American West Parent, in accordance with the provisions of Sections 2.2 and 2.3. American West, having paid the Initial Option Payment on June 1, 2021, hereby agrees to exercise the Option and the Earn-in Date shall be the

date of the last to occur of the receipt by InZinc of the Consideration Shares and the receipt by InZinc of the cash payments set out in Sections 2.2(b) and 2.2(c)."

2.2 Amendments to Sections 2.2(b) and 2.2(c) of the Original Agreement

Subject to and conditional upon the occurrence of the Amendment Conditions, Sections 2.2(b) and 2.2(c) of the Original Agreement are hereby deleted in their entirety and the following are substituted therefor:

- "(b) CAD\$1,000,000 in cash will be paid by American West (on behalf of itself and its subsidiary, West Desert Metals) to InZinc (on behalf of itself and on behalf of NPR) not more than two Business Days following the issue by American West pursuant to the IPO of not less than 85,000,000 Shares at an issue price of AUD\$0.20 per Share for gross proceeds of AUD\$17,000,000 (the "**IPO Shares**") and the Consideration Shares; and
- (c) USD\$1,225,000 in cash will be paid by American West (on behalf of itself and its subsidiary, West Desert Metals) to InZinc (on behalf of itself and on behalf of NPR) not more than two Business Days following the issue by American West of the IPO Shares and the Consideration Shares."

2.3 Amendment to Section 2.3(a) of the Original Agreement

Subject to and conditional upon the occurrence of the Amendment Conditions, Section 2.3(a) of the Original Agreement is hereby deleted in its entirety and the following is substituted therefor:

- "(a) Subject to Section 2.3(b), 13,385,000 Shares (the "**Consideration Shares**") shall be delivered by American West to InZinc (on behalf of itself and on behalf of NPR) in accordance with the following provisions:
 - (i) the Consideration Shares will be allotted and issued in conjunction with the IPO Shares;
 - (ii) the Consideration Shares will be issued as fully paid and non-assessable Shares and will rank equally with the IPO Shares;
 - (iii) Sellers acknowledge that the Consideration Shares will be subject to escrow release conditions for a period of 12 months from the date of issue or as otherwise required by the ASX in connection with the IPO; and
 - (iv) the issuance of the Consideration Shares to InZinc (on behalf of itself and on behalf of NPR) shall comply with all applicable Laws of Australia and the policies, procedures and requirements of the ASX."

2.4 Amendment to Section 5.1 of the Original Agreement

Subject to and conditional upon the occurrence of the Amendment Conditions, Section 5.1 of the Original Agreement is hereby deleted in its entirety and the following is substituted therefor:

- "5.1 Upon exercise of the Option, American West shall enter into a royalty agreement with InZinc substantially in the form of agreement attached as Schedule "A" to Amending Agreement No. 1 pursuant to which InZinc will be granted a fifty percent (50.0%) mineral production royalty (the "**Royalty**") based on revenue received by American West from the

sale of Indium mined from the Property; provided that West Desert Metals shall have the option to buy-back one-half (½) of the Royalty for USD\$5,000,000 in cash, thereby reducing the Royalty to twenty-five percent (25.0%), at any time before the first sale of Indium mined from the Property."

2.5 Amendments to Sections 6.1 and 6.3 of the Original Agreement

Subject to and conditional upon the occurrence of the Amendment Conditions, Sections 6.1 and 6.3 of the Original Agreement are hereby deleted in their entirety and the following are substituted therefor:

- " 6.1 Upon exercise of the Option and request by American West, the Sellers shall deliver to Canadian counsel for the Sellers such executed documents, in a form satisfactory to each Party and their respective counsel, acting reasonably (the "**Transfer Documents**"), to cause the valid and effective transfer of the Property from Sellers to American West (or its designee) free and clear of all Encumbrances; provided that the Sellers shall instruct their Canadian counsel to hold in escrow the Transfer Documents and not deliver them to any third party nor make use of them until such time as InZinc shall have received the cash payments pursuant to Section 2.2 and the Consideration Shares pursuant to Section 2.3(a) (the "**Transfer Document Escrow Conditions**"). If the Transfer Document Escrow Conditions are not satisfied on or before June 1, 2022 or such later date as may be agreed upon in writing by the Parties, the Sellers shall instruct such Canadian counsel to promptly return the Transfer Documents to InZinc unused, forthwith upon demand. The patented mining claims will be transferred by general warranty deed. The unpatented mining claims and other interests will be assigned using the current governmental form for such assignment or a mutually agreeable assignment.
- 6.3 American West will, within five (5) Business Days after the Earn-In Date, without withholding or deduction, reimburse InZinc USD\$96,577.14, being the amount of the reclamation bond currently on file posted by InZinc with the DOGM for the exploration; provided, however, that when the Governmental Agency releases NPR's bond, the funds shall be promptly remitted to American West."

2.6 Non-occurrence of the Amendment Conditions

For greater certainty, if the Amendment Conditions referred to in this Agreement do not occur on or before June 1, 2022 or such later date as may be agreed to in writing by the Parties, the amendments to Sections 2.1, 2.2(b), 2.2(c), 2.3(a), 5.1, 6.1 and 6.3 of the Original Agreement set out in Sections 2.1, 2.2, 2.3, 2.4 and 2.5 of this Agreement shall be of no force and effect, and the terms of the Original Agreement shall be restored.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Parties

Each of the Parties, acknowledging that the other Party is entering into this Agreement in reliance thereon, hereby represents and warrants that this Agreement has been duly and validly executed and delivered by it and constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, subject only to any limitation under applicable laws relating to (i) bankruptcy, insolvency, arrangement or creditors' rights generally, and (ii) the discretion that a court may exercise in the granting of equitable remedies.

**ARTICLE 4
GENERAL**

4.1 Reference to and Effect on the Original Agreement

Each reference in the Original Agreement to “this Agreement” and each reference to the Original Agreement in any and all other agreements, documents and instruments delivered by the Parties or any other Person in connection with the Original Agreement shall mean and be a reference to the Original Agreement as amended by this Agreement. Except as specifically amended by this Agreement, each of the Parties acknowledges and agrees that the Original Agreement remains in full force and effect, unamended.

4.2 Further Assurances

Each Party shall execute all such further instruments and documents and do all such further actions as may be necessary to effectuate the documents and transactions contemplated in this Agreement.

4.3 Governing Law

This Agreement shall be governed by and construed according to the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

4.4 Counterparts

This Agreement may be signed in counterparts and all such counterparts, taken together, will be deemed to constitute one and the same instrument. This Agreement may be signed and accepted by email.

[The remainder of page is intentionally left blank. Signature page follows this page.]

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

AMERICAN WEST METALS LIMITED

Per: “John Prineas”
Name: John Prineas
Title: Chairman

WEST DESERT METALS, INC.

Per: “John Prineas”
Name: John Prineas
Title: Chairman

INZINC MINING LTD.

Per: “Wayne Hubert”
Wayne Hubert
President & Chief Executive Officer

NPR (US), INC.

Per: “Wayne Hubert”
Wayne Hubert
President & Secretary

Schedule "A" – Form of Royalty Agreement

Attached.

NET SMELTER RETURNS ROYALTY AGREEMENT

This net smelter returns royalty agreement (the “**Royalty Agreement**”), dated effective September ___, 2021 (the “**Effective Date**”) is entered into between:

INZINC MINING LTD., a company incorporated pursuant to the laws of Canada

(“**InZinc**”)

AND:

WEST DESERT METALS, INC., a company duly existing under the laws of Utah, USA

(the “**Grantor**” or “**American West**”)

WHEREAS:

- A. On April 15, 2021, InZinc, NPR (US), Inc. (“**NPR**”) (a wholly-owned subsidiary of InZinc), American West Metals Limited (“**American West Parent**”) and Grantor (a wholly-owned subsidiary of American West Parent) entered into an option agreement (the “**Option Agreement**”) whereby InZinc and NPR granted to American West an exclusive option (the “**Option**”) to acquire from NPR and InZinc a 100% interest in and to all of the Property (as defined below) as an asset purchase;
- B. On September ___, 2021, InZinc, NPR, American West Parent and Grantor entered into Amending Agreement No. 1 to the Option Agreement (the “**Amending Agreement**”) pursuant to which Grantor agreed to exercise the Option and enter into this Royalty Agreement pursuant to which InZinc will be granted the Net Smelter Returns Royalty (as defined below), subject to the Buy Back Option (as defined below);
- C. A portion of the Property is subject to a pre-existing 1.5% net smelter return royalty (the “**Osisko NSR**”) payable to Osisko Gold Royalties Ltd in respect of production from the Property pursuant a share purchase agreement dated June 6, 2001 (the “**2001 Share Purchase Agreement**”) between EuroZinc Mining Corporation, Vaaldiam Resources Ltd. and the Grantor, as such 2001 Share Purchase Agreement has been assigned and assumed or novated; and
- D. The Parties wish to enter into this Royalty Agreement to define and establish the conditions governing the Net Smelter Returns Royalty.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

ARTICLE 1 DEFINITIONS

Any capitalized terms used but not otherwise defined in this Royalty Agreement shall bear the meaning ascribed to such capitalized terms in the Option Agreement. As used herein, the following terms shall have the meanings assigned to them as follows (in the event any term or definition of this Royalty Agreement shall conflict with any term or definition in the Option Agreement, the term or definition in the Option Agreement shall control and govern):

- (a) **“Abandonment Property”** has the meaning given to it in Section **Error! Reference source not found.**
- (b) **“Affiliate”** means any Person that directly or indirectly Controls, is Controlled by, or is under common Control with, a Party.
- (c) **“After-Acquired Properties”** means any right to or interest in any mining claim, license, lease, grant, concession, permit, patent, or other mineral property staked, directly or indirectly by or on behalf of the Grantor which are located, in whole or in part, within the Area of Interest, as this term is defined in the Option Agreement.
- (d) **“Allowable Deductions”** means:
 - (i) All smelting and refining costs, sampling, assaying and treatment charges and penalties including but not limited to metal losses, penalties for impurities and charges for refining, selling and handling by the smelter, refinery or other purchaser (including price participation charges by smelters and/ or refiners);
 - (ii) Costs of handling, transporting, securing and insuring all Products from the Property or from a concentrator, whether situated on or off the Property, to a smelter, refinery or other place of treatment, and in the case of gold or silver concentrates, security costs;
 - (iii) Ad valorem taxes and taxes based upon sales or production, but not income taxes; and
 - (iv) Marketing costs, including sales commissions, incurred in selling ore mined from the Property and in selling concentrate, metal and products derived from ore mined from the Property.

Where a cost otherwise deductible under this Royalty Agreement is incurred by the Grantor in a transaction with a party with whom it is not dealing at arm’s length, the cost to be deducted shall be the fair market cost under the circumstances and at the time of the transaction.

- (e) "**Amending Agreement**" has the meaning given to it in the recitals.
- (f) "**Buy Back Option**" has the meaning given to it in Section 3.1.
- (g) "**Commercial Production**" means the commercial exploitation of Products from the Property or any part thereof as a mine but does not include milling for the purposes of testing or milling by a pilot plant. Commercial Production shall be deemed to have commenced:
 - (i) if a plant is located on the Property, on the first day following the first period of 45 consecutive days during which Products have been produced from the Property at an average rate not less than eighty percent (80%) of the initial design rated capacity of all mines, plants and facilities located on the Property, or
 - (ii) if no plant is located on the Property, on the first day of the month following the first period of 45 consecutive days during which Products have been shipped from the Property on a reasonably regular basis for the purpose of earning revenue;
- (h) "**Control**" used as a verb means, when used with respect to an entity, the ability, directly or indirectly through one or more intermediaries, to direct or cause the direction of the management and policies of such entity through (a) the legal or beneficial ownership of voting securities or ownership interests; (b) the right to appoint managers, directors or corporate management; (c) contract; (d) membership agreement; (e) voting trust; or otherwise; and, when used with respect to an individual, means the actual or legal ability to control the actions of another, through family relationship, agency, contract or otherwise; and "Control" used as a noun means an interest which gives the holder the ability to exercise any of the foregoing powers.
- (i) "**Grantor**" means West Desert Metals, Inc. and includes any subsequent holder of the Property.
- (j) "**IFRS**" means International Financial Reporting Standards, from time to time, applied on a consistent basis.
- (k) "**Net Smelter Returns**" shall be the gross revenues actually received by the Grantor from the sale or other disposition of Products after deducting the Allowable Deductions, in each case for the applicable calendar quarter. Where revenue otherwise to be included under this Royalty Agreement is received by the Grantor in a transaction with a party with whom it is not dealing at arm's length, the revenue to be included shall be based on the fair market value under the circumstances and at the time of the transaction. If there is an insurable loss or damage to Products then the revenues will be equal to the sum of the insurance proceeds actually paid to the Grantor in respect of such loss or damage.
- (l) "**Net Smelter Returns Royalty**" has the meaning given to it in Section 2.1.

- (m) **“Option Agreement”** has the meaning given to it in the recitals.
- (n) **“Other Tenements”** means all surface water, access and other non-mineral rights of and to any lands within or outside the Property including surface rights held in fee or under lease, licence, easement, right of way or other rights of any kind (and all renewals, extensions and amendments thereof or substitutions therefor) acquired by or on behalf of the Parties with respect to the Property.
- (o) **“Party”** means a signatory to this Royalty Agreement and **“Parties”** means all of them.
- (p) **“Person”** shall mean an individual, corporation, trust, partnership, limited liability company, joint venture, unincorporated organization, firm, estate, governmental authority or any agency or political subdivision thereof, or other entity.
- (q) **“Prime Rate”** for the purposes of Section 2.4, means, at any particular time, the annual rate of interest announced from time to time by the Bank of Montreal, at its main branch located in Vancouver, British Columbia, as a reference rate then in effect for determining floating rates of interest on Canadian dollar loans made in Canada.
- (r) **“Products”** shall mean all Indium mined from the Property and all concentrate, metal and products derived from Indium mined from the Property (**“By Products”**), or Indium or By Products retrieved through leaching or solution mining or solution extraction/electrowinning or other processing of mineralized material mined from the Property, in all cases after commencement of Commercial Production.
- (s) **“Property”** means the real property (including both surface and mineral estates) and unpatented mining claims owned by, vested in, or otherwise claimed by the Sellers, referred to as the West Desert project, and more particularly described in Schedule “A” to the Option Agreement together with all mineral interests acquired within the Area of Interest, the Other Tenements, and all surface rights, mineral rights, personal property and permits associated therewith and shall include any renewal thereof and any other form of successor or substitute title thereto or tenure derived therefrom, subject to any modification, change or improvement thereon made from time to time by the Grantor or any subsequent owner thereof, and including any After-Acquired Properties;
- (t) **“Royalty Percentage”** shall mean fifty percent (50%), subject to the Buy Back Option.
- (u) **“Transfer”** shall mean any sale, grant, assignment, conveyance or other transfer.

ARTICLE 2 COMPUTATION AND PAYMENT OF NET SMELTER RETURNS

2.1 Grant, Computation and Termination

As provided in the Amending Agreement, Grantor has granted and hereby affirms and restates that it hereby grants and covenants and agrees to pay to InZinc a net smelter returns royalty (the “**Net Smelter Returns Royalty**”) in respect of Products produced from the Property or any portion thereof. This royalty is not in addition to the royalty provided for in the Amending Agreement, but is one and the same as the royalty provided for in the Amending Agreement. To compute the Net Smelter Returns Royalty, the Grantor shall multiply the Net Smelter Returns by the Royalty Percentage in each case for the immediately preceding calendar quarter. If the Transfer Document Escrow Conditions (as such term is defined in the Amending Agreement) are not satisfied on or before June 1, 2022 or such later date as may be agreed upon in writing by American West and InZinc (the “**Termination Date**”), the Net Smelter Returns Royalty and this Royalty Agreement shall automatically terminate effective as of the Termination Date.

2.2 Calculation of Value of Indium

In calculating the value of Indium, such value shall not be assigned as a credit to offset penalties for other constituents. If such calculation is not possible or practical, the value of Indium should be readily accountable.

2.3 Payments

Upon the commencement of Commercial Production, the Grantor shall pay to InZinc a payment equal to the Net Smelter Returns Royalty in cash or readily available funds, computed under Section 2.1 within thirty (30) days after the end of the calendar quarter for royalty obligations that accrued during the preceding calendar quarter for which such computation is made, and shall deliver with such payment a statement of the calculations used in connection with such payment, which statement shall include:

- (a) the gross revenues received by Grantor from the sale or disposition of all Products;
- (b) the amount of Allowable Deductions deducted;
- (c) in the event of any commingling as contemplated in Section 6.10, a detailed summary of the determination by the Grantor of the quality of Products commingled and subject to the Net Smelter Returns Royalty; and
- (d) the amount of Net Smelter Returns to which InZinc is entitled;

supported by such reasonable information as to the tonnage and grade of ores or concentrates shipped as will enable InZinc to verify the amounts stated therein.

Any overpayments or underpayments, including overpayments or underpayments resulting from adjustments between payments and final settlement by the smelter or other purchaser of Products

shall be corrected in the next calendar quarter following determination of such adjustment. All such payments shall be made in United States dollars. Payments hereunder shall be made without demand, notice, set-off or reduction by wire transfer in good, immediately available funds, to such account or accounts as InZinc may designate pursuant to wire transfer instructions provided to the Grantor from time to time.

2.4 Late Payments

Any payments not made when due under this Royalty Agreement shall bear interest at an annual rate equal to the Prime Rate plus three percent (3%) calculated and compounded monthly from the due date to the date of payment.

2.5 Certified Calculation

After the year in which Commercial Production begins, InZinc shall be provided annually on or before April 1 of each calendar year, with a copy of the calculation of Net Smelter Returns for the preceding calendar year, determined in accordance with this Royalty Agreement and certified correct by the Grantor or Grantor's accountant who prepared the calculation.

2.6 Payments Subject to Withholding

All amounts payable on account of the Net Smelter Returns Royalty shall be made subject to withholding or deduction for, or on account of, any present or future taxes, deductions, withholdings, assessments or governmental charges of whatsoever nature imposed or levied on such royalty payment by or on behalf of any governmental authority having power and jurisdiction to do so and for which Grantor is obligated in law to withhold or deduct and remit to such governmental authority. The Grantor shall set out in the statement referred to in Section 2.3 any amounts so withheld in accordance with this Section 2.6.

ARTICLE 3 BUY BACK OPTION

3.1 Buy Back Option

At any time before the first sale of Products mined from the Property, the Grantor, at its sole discretion, has the option to purchase from InZinc, for and in consideration of the payment to InZinc of a purchase price of USD\$5,000,000, one-half (½) of the Royalty Percentage (the "**Buy Back Option**"), such that following such purchase, the Royalty Percentage be reduced from fifty percent (50%) to twenty-five percent (25%). Such Buy Back Option shall be exercised by the Grantor giving notice thereof to InZinc, accompanied by a certified cheque made to the order of InZinc or a wire transfer of an amount of USD\$5,000,000, for the one time and entire payment of the aforementioned purchase price. Conditional upon InZinc having received said notice and certified cheque or wire transfer, the resulting purchase of one-half (½) of the Royalty will become and be effective as of the date InZinc shall have received the certified cheque or wire transfer referred to above.

ARTICLE 4 ACCOUNTING MATTERS

4.1 Accounting Principles

All Allowable Deductions shall be determined in accordance with IFRS as applied by the Grantor. Allowable Deductions shall be determined by the accrual method.

ARTICLE 5 AUDITS AND DISPUTES

5.1 Audit

InZinc, upon written notice, shall have the right to have an independent firm of chartered accountants audit the records that relate to the calculation of the Net Smelter Returns Royalty within twelve (12) months after receipt of a payment under Section 2.3 or a certification under Section 2.5 hereof. Any calculation not so audited shall be deemed final and shall not thereafter be subject to audit or challenge.

At the conclusion of such audit:

- (a) if the auditors determine that the calculation of the Net Smelter Returns Royalty was accurate within three percent (3%) of actual payment, then the costs of the audit shall be borne by InZinc; and
- (b) if the auditors determine that the calculation of the Net Smelter Returns Royalty was not accurate within three percent (3%) of the actual payment, then the costs of the audit shall be borne by the Grantor and the deficiency in amount actually paid as against the calculation of the Net Smelter Returns Royalty determined by the auditors shall be paid by the Grantor to InZinc not later than the next scheduled quarterly royalty payment and the Grantor shall pay interest on such quarterly royalty payment in accordance with Section 2.4 hereof.

5.2 Dispute Resolution

- (a) **Negotiation.** In the event there is any dispute arising out of this Royalty Agreement which is not resolved by informal discussions between the parties, the parties will negotiate the dispute before proceeding to mediation. Either party may initiate negotiation by sending a written description of the dispute to the other party by certified or registered mail or hand delivery. This description shall explain the nature of the dispute in detail and set forth a proposed solution to the problem, including a specific timeframe within which the parties must act. The party receiving the letter must respond in writing within 10 days with a detailed explanation of its position and a response to the proposed solution. Within 10 days of the initiating party receiving this response, principals of the party, who have authority to settle the dispute, must directly communicate (either in person, by remote videoconference, or by telephone) and discuss resolution of the dispute. The initiating party must initiate scheduling of this negotiation session.

- (b) **Mediation.** If a dispute arises out of this Royalty Agreement which is not within the scope of any interim determination processes set forth in this Royalty Agreement and which the parties cannot resolve through negotiation between principals, the dispute will be mediated before proceeding to arbitration. Mediation may be demanded by either party and will be held at a mutually agreeable date. The parties shall mutually agree upon a mediator. If they cannot agree upon a mediator within five days of either party demanding mediation (the “**Demanding Party**”), the party who did not request mediation (the “**Responding Party**”) shall propose three acceptable mediators and the Demanding Party shall select the mediator from those identified by the Responding Party; provided, however, that all three proposed mediators must be free from any conflicts of interest. The mediation will be conducted in a location designated by the mediator. Any cost of the mediation, including any fee charged by the mediator and cost of using the designated location, shall be shared equally by the parties. The mediation process itself and any information or disclosures revealed by either party to the mediator or to the other party during the mediation process will be confidential and may not be referred to in any testimony evidence offered in any subsequent proceeding if the mediation is not successful.
- (c) **Arbitration.** If a dispute arises out of this Royalty Agreement which the parties cannot resolve through mediation, then such dispute shall, upon written notice by either Party to the other, be finally settled by arbitration using the Arbitration Rules of the ADR Institute of Canada (the “**Institute**”). The arbitration shall be heard by a panel of three (3) independent and impartial arbitrators each of whom is free from all conflicts of interest and is a suitably qualified person who is knowledgeable in relation to the subject matter of the arbitration. Each Party shall appoint one (1) arbitrator within 20 days of delivery of the notice of request to arbitrate. If any party fails to appoint an arbitrator within the 20 day period, the other party may ask the Institute to make the required appointment. The two arbitrators shall appoint the third arbitrator within 15 days after the date on which the last of the two arbitrators is appointed. If the two arbitrators cannot agree on the identity of the third arbitrator within the 15 day period, either party may ask the Institute to make the required appointment. The panel shall designate one (1) among them to serve as chair. The arbitration proceedings shall be conducted in the City of Vancouver, British Columbia. Any Party may seek interim or provisional remedies as necessary to protect the rights or Property of the Party pending the decision of the arbitrators. The Parties shall allow and participate in limited discovery for the production of documents and taking of depositions. All discovery shall be completed within sixty (60) days following the filing of the answer or other responsive pleading. Unresolved discovery disputes shall be brought to the attention of the chair of the arbitration panel and may be disposed of by the chair. Each Party shall have up to fifty (50) hours to present evidence and argument in a hearing before the panel of arbitrators, provided that the chair of the panel of arbitrators may establish such longer times for presentations as the chair deems appropriate. The arbitration award shall be rendered by the arbitrators within twenty (20) business days after conclusion of the hearing of the matter, shall be in writing and shall specify the factual and legal basis for the award. The arbitrators are empowered to order money

damages in compensation for a Party's actual damages, specific performance or other appropriate relief to cure a breach; provided, however, that the arbitrators shall have no authority to award special, punitive, exemplary, consequential or liquidated damages, loss of profits or any other money damages that are not measured by the prevailing Party's actual damages. Any judgment upon the award rendered by the arbitration may be entered in any court of competent jurisdiction and shall be deemed to be a final and non-appealable order.

ARTICLE 6 GENERAL

6.1 Records

The Grantor shall keep accurate records of tonnage, volume of Products, analyses of Products, weight, moisture, assays of payable metal content and other records, as appropriate, related to the computation of Net Smelter Returns hereunder and shall provide InZinc with:

- (a) within sixty (60) days following the end of each calendar year, an annual report of Products mined, milled or processed, recoveries, grades, and capital and development expenses with respect to the Property during such calendar year. Such annual report shall include estimates of proposed expenditures upon, anticipated production from and estimated remaining mineral reserves and resources on the Property for the succeeding calendar year and any changes to, or replacements of, the mine plan or any "life of mine plan" with respect to the Property;
- (b) within fourteen (14) days upon the request of InZinc, all data and records pertaining to Indium concentrate grades, smelter offtake agreements and smelter receipts; and
- (c) within thirty (30) days of its approval by the Grantor, a copy of any "life of mine plan", if produced, and any changes to, or replacements of, any such "life of mine plan" or any mine plan within 30 days after such change or replacement thereof.

6.2 Rights Reserved by Grantor

The Grantor shall be entitled to (a) make all operational decisions with respect to the methods and extent of mining and processing of Products produced from the Property (including the decision to process by other than conventional milling); (b) make all decisions relating to sales of such Products produced; and (c) make all decisions concerning temporary or long-term cessation of operations.

6.3 Right to Inspect

InZinc or its authorized representative on not less than thirty (30) days' notice to the Grantor, timing to be mutually agreed upon by InZinc and the Grantor, acting reasonably, may, at its own risk and cost, enter upon all surface and subsurface portions of the Property for the purpose of inspecting the Property, all improvements thereto and operations thereon, and may inspect and copy all records and data pertaining to the computation of its interest, including without limitation such records and data which are maintained electronically.

6.4 Headings

The headings to the Articles, Sections and clauses of this Royalty Agreement are inserted for convenience only and do not form a part of this Royalty Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Royalty Agreement or any provision hereof.

6.5 Notices

- (a) All notices, payments and other required communications (herein “**Notices**”) to the Parties shall be in writing, and shall be addressed respectively as follows:

If to the Grantor:

West Desert Metals, Inc.
Suite 2, 28 Ord Street,
West Perth WA 6005 Australia
Attention: John Prineas
Email: [REDACTED] confidential information

If to InZinc:

InZinc Mining Ltd.
Suite 2300, 550 Burrard Street,
Vancouver, British Columbia, Canada V6C 2B5
Attention: Kerry Curtis
Email: [REDACTED] confidential information

- (b) All Notices shall be given (i) by personal delivery, or (ii) by electronic mail communication, or (iii) by registered mail return receipt requested. All Notices shall be effective and shall be deemed delivered (i) if by personal delivery, on the date of delivery if delivered during normal business hours, and, if not delivered during normal business hours, on the next business day following delivery, (ii) if by electronic mail communication, on the next business day following sending, and (iii) if solely by registered mail, on the next business day after delivery. Either Party may change its address by Notice to the other Party.

6.6 Real Property Interest

The Net Smelter Return Royalty provided in this Royalty Agreement shall attach to any: (i) amendments, relocations, adjustments, resurvey, additional locations or conversions of any mining claims comprising the Property; and (ii) renewal, amendment or other modification or extensions of any leases of any real property interests comprising the Property. Subject to Section 2.1, the Net Smelter Returns Royalty shall continue in perpetuity, it being the intent of the Parties hereto: (1) as to the patented mining claims included in the Property (whether now owned or hereafter acquired), the Net Smelter Return Royalty shall be a real property interest that burdens such patented mining claims and runs with the land, provided, however, that if the Grantor owns less than 100% of the mineral estate in the patented mining claim, the Net Smelter Return Royalty shall

be proportionately reduced in the amount equal to the Grantor's actual interest in the patented mining claim; and (2) as to the unpatented mining claims included in the Property, the Net Smelter Returns Royalty shall burden the possessory interest of each interest for as long as each such unpatented mining claim is active and in good standing with the Bureau of Land Management. If any right, power or interest of either Party pertaining to the Net Smelter Returns Royalty would violate the rule against perpetuities, then such right, power or interest shall terminate at the expiration of 20 years after the death of the last survivor of all the lineal descendants of Her Majesty, Queen Elizabeth II of England, living on the Effective Date. InZinc shall have the right from time to time to register or record notice of the Net Smelter Returns Royalty against title to the Property or elsewhere, and the Grantor shall cooperate with all such registrations and recordings and provide its written consent or signature to any documents and do such other things from time to time as are necessary or desirable to effect all such registrations or recordings or otherwise to protect the interests of InZinc hereunder.

6.7 After-Acquired Properties

Any and all After-Acquired Properties shall be subject to the terms and conditions of the Net Smelter Returns Royalty and this Royalty Agreement and shall be added to and deemed, for all purposes hereof, to be included in the Property.

6.8 Confidentiality

- (a) Except as provided in Section 6.8(b), all information and data provided to InZinc under the terms of this Royalty Agreement shall not be disclosed by InZinc to any third party or the public without the prior written consent of the Grantor, which consent shall not be unreasonably withheld.
- (b) The consent required by Section 6.8(a) shall not apply to a disclosure:
 - (i) by InZinc to a potential successor of all or any significant portion of its interests under this Royalty Agreement, or to a potential successor by consolidation or merger, or to a proposed joint venture or partnership in which such InZinc may become a participating partner or venturer;
 - (ii) to an Affiliate or representative that has a bona fide need to be informed (but subject to the obligations of confidentiality herein);
 - (iii) to a governmental agency or to the public which the disclosing Party or Affiliate believes in good faith is required by applicable law or the rules or regulations of any securities commission, stock exchange or other regulatory body; or
 - (iv) made in connection with litigation or arbitration involving a Party where such disclosure is required by the applicable tribunal or is, on the advice of counsel for such Party, necessary for the prosecution of the case, but subject to prior notification to the other Party to enable such Party to seek appropriate protective orders.

- (c) Prior to any disclosure described in Sections 6.8(b)(i) or (ii), such third party shall first agree to protect the confidential information from further disclosure to the same extent as the Parties are obligated under this Section 6.8.

6.9 Public Reporting

If InZinc wishes to make disclosure as contemplated in Section 6.8(b)(iii), then without limiting the provisions in Sections 6.1 to 6.3, the Grantor shall provide to InZinc in a timely fashion all such assistance and cooperation as InZinc may reasonably request, at InZinc's costs, to meet the requirements of National Instrument 43-101, United States SEC Industry Guide 7 or similar reporting standards in other jurisdictions, or the requirements imposed by stock exchanges on issuers, all as determined by InZinc including without limitation provision of technical reports by qualified persons addressed to InZinc and certificates and consents and access to data, documents and the Property.

6.10 Commingling

Upon the making of a positive production decision, the Property may be operated as a single operation with other mining properties owned by third parties or in which the Grantor has an interest, in which event, the Parties agree that (notwithstanding separate ownership thereof) ores mined from the mining properties (including the Property) may be blended at the time of mining or at any time thereafter, provided, however, that the respective mining properties shall bear and have allocated to them their proportionate part of costs described in Section 1(d)(i) to (iv) above incurred relating to such single operation, and shall have allocated to each of them the proportionate part of the revenues earned relating to such single operation. In making any such allocation, effect shall be given to the tonnages of ore and other material mined and beneficiated and the characteristics of such material including the metal content of ore removed from, and to any special charges relating particularly to ore, concentrates or other products or the treatment thereof derived from, any of such mining properties. The Grantor shall ensure that reasonable practices and procedures are adopted and employed for weighing, determining moisture content, sampling and assaying and determining recovery factors.

6.11 Indemnities

- (a) Except as amended by Section 6.11(b) of this Royalty Agreement, the Grantor shall indemnify, save, defend and hold InZinc harmless from and against all claims, damages, including reasonable attorneys' fees, and liability that may be brought against InZinc as a holder of the Net Smelter Returns Royalty relating to any injury to or death of persons, occupational sickness or disease, or any damage to or loss or destruction of property arising out of the operations of the Grantor on or with respect to the Property.
- (b) InZinc shall indemnify, save, defend and hold Grantor harmless from and against all claims, damages, including reasonable attorneys' fees, and liability that may be brought against Grantor relating to any injury to or death of persons, occupational sickness or disease, or any damage to or loss or destruction of property arising out

of or related to InZinc's willful, reckless, or gross negligent conduct when InZinc is present on the Property.

6.12 Title, Maintenance, Taxes and Abandonment

On and following the Earn-In Date, the Grantor shall maintain title to the Property and perform all work or other matters necessary to maintain title in accordance in all material respects with all applicable laws, statutes, rules, regulations, permits, ordinances, certificates, licenses and other regulatory requirements, policies and guidelines. On and following the Earn-In Date, the Grantor shall pay all taxes and other payments when due on or with respect to the Property and shall do all things and make all payments necessary or appropriate to maintain the right, title and interest of InZinc in the Net Smelter Returns on the Property and under this Royalty Agreement.

The Grantor shall not abandon any patented or unpatented claims comprising part of the Property or any other interest in the Property unless it first complies with this Section 6.12 (provided that in the case of leased properties, the Grantor shall only be required to comply with this Section 6.12 to the extent permitted under the applicable lease or sublease). If the Grantor wishes to abandon any of the patented or unpatented claims comprising part of the Property or any other interest in the Property ("**Abandonment Property**"), the Grantor shall first give notice of such intention to InZinc at least 30 days in advance of the proposed date of abandonment. If, not less than 10 days before the proposed date of abandonment, the Grantor receives from InZinc written notice that InZinc wishes to acquire the Abandonment Property, the Grantor shall convey the Abandonment Property by quitclaim deed, without warranty, to InZinc or an assignee thereof, and shall thereafter have no further obligation to maintain title to, or pay taxes or other payments in respect of, the Abandonment Property. If InZinc elects to accept the conveyance of the Abandonment Property, InZinc shall bear the cost of such conveyance. If InZinc does not give such notice to the Grantor within the prescribed period of time, the Grantor may abandon the Abandonment Property and shall thereafter have no further obligation to maintain title to, or pay taxes or other payments in respect of, the Abandonment Property.

6.13 Covenant of the Grantor

The Grantor covenants to take any actions reasonably requested by InZinc and at the expense of InZinc in order to facilitate the proper recording of this Royalty Agreement.

6.14 No Partnership

This Royalty Agreement is not intended to, and shall not be deemed to, create any partnership relation between the Parties, including, without limitation, a mining partnership or commercial partnership. The obligations and liabilities of the Parties shall be several and not joint and neither Party shall have or purport to have any authority to act for or to assume any obligations or responsibility on behalf of the other Party. Nothing herein contained shall be deemed to constitute a Party the partner, agent or legal representative of the other Party.

6.15 Governing Law

This Royalty Agreement shall be interpreted and construed in accordance with, and governed and enforced in all respects by, the laws of the Province of British Columbia, without respect to conflict of laws, and any applicable federal laws of Canada applicable therein.

6.16 Assignment by Grantor

The Grantor shall be free to Transfer all or any portion of its interest in the Property, provided that such Transfer shall not be effective as against InZinc until the transferee has delivered to InZinc a written and enforceable undertaking agreeing to be bound, to the extent of the interest disposed of, by all of the terms and conditions of this Royalty Agreement. In the event of a Transfer to an arm's length third party who has executed an undertaking required by this Section 6.16, InZinc acknowledges and agrees that the Grantor shall be released from all obligations in respect of that portion of the Net Smelter Returns Royalty conveyed or assigned to such third party.

6.17 Assignment by InZinc

InZinc shall be free to Transfer all or any portion of its interest in the Net Smelter Returns Royalty on and following the Earn-In Date, provided that such Transfer shall not be effective as against the Grantor until the transferee has delivered to the Grantor a written and enforceable undertaking agreeing to be bound, to the extent of the interest disposed of, by all of the terms and conditions of this Royalty Agreement.

6.18 Enurement

This Royalty Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and permitted assigns.

6.19 Counterparts

This Royalty Agreement may be executed in several counterparts, each of which shall be deemed to be an original, and all of which shall together constitute one and the same instrument, and delivery of an executed copy of this Royalty Agreement by facsimile or email transmission or by other means of electronic communication capable of producing a printed copy shall be deemed to be execution and delivery of this Royalty Agreement as of the date first above written.

[The remainder of this page is intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF the Grantor has executed this Royalty Agreement and the same has been accepted by InZinc on September ___, 2021.

WEST DESERT METALS, INC.

Per: _____
Authorized Signatory

Print Name:
Title:

INZINC MINING LTD.

Per: _____
Authorized Signatory

Print Name:
Title: