

## MINERAL PROPERTY PURCHASE AGREEMENT

THIS AGREEMENT is made as of the 28th day of May, 2020.

BETWEEN:

**INTERMONT RESOURCES LLC.**, a company incorporated under the laws of the State of Wyoming and having its head office at [redacted: personal address] email: [redacted: personal email]

(hereinafter referred to as the "**Vendor**" or "**Intermont**")

OF THE FIRST PART,

AND:

**CORTUS METALS INC.**, a company incorporated under the laws of the Province of British Columbia and having its head office at 10545-45 Avenue NW, 250 Southridge, Suite 300, Edmonton, Alberta, T6H 4M9, Canada email: [seanm@metalsgroup.com](mailto:seanm@metalsgroup.com)

(hereinafter referred to as the "**Purchaser**")

OF THE SECOND PART.

### WHEREAS:

A. The Vendor is the legal and beneficial holder of a 100% undivided right, title and interest in and to certain mineral claims located in Nevada commonly known as the Grayson Properties and Powerline Properties, as defined below (the "**Properties**");

B. The Vendor has agreed to sell to the Purchaser and the Purchaser has agreed to purchase from the Vendor all of its right, title and interest in and to the Properties, subject to and on the terms and conditions set forth in this Agreement; and

**NOW THEREFORE THIS AGREEMENT WITNESSETH** that in consideration of the mutual covenants and agreements herein contained and subject to the terms and conditions hereinafter set out, the Parties agree as follows:

### **1. INTERPRETATION**

1.01 In this Agreement, the following words and phrases shall have the following meanings:

- (a) "**Acquisition**" means the acquisition by the Purchaser from the Vendor of all the Vendor's interest in and to the Properties and the Technical Information pursuant to this Agreement.
- (b) "**Acquisition Option**" means the "Option" as such term is defined in Section 1.1(bb) of the Option Agreement.
- (c) "**Advance**" means US\$75,000 advanced by the Purchaser to the Vendor pursuant to the terms and conditions of the Loan Agreement.
- (d) "**Affiliate**" means, in respect of a Person, a corporation with which that Person is affiliated where:

- (i) one body corporate is affiliated with another body corporate if one of them is the subsidiary of the other or both are subsidiaries of the same body corporate or each of them is controlled by the same Person; and
  - (ii) if two bodies corporate are affiliated with the same body corporate at the same time, they are deemed to be affiliated with each other
- (e) "**Area of Interest**" means the area which is included within a distance of two kilometers surrounding the project boundary areas around any Intermont Claims, provided that in the case of the [redacted: project name], it shall be three kilometers surrounding the project boundary areas.
  - (f) "[redacted: project name] **Properties**" means the claims listed in section 1 of Schedule "C".
  - (g) "[redacted: project name] **Properties**" means the claims listed in section 2 of Schedule "C"
  - (h) "**Business Day**" means a day other than a Saturday, Sunday or statutory holiday in the Province of British Columbia.
  - (i) "**Buyback Deadline**" has the meaning defined in Section 3.01.
  - (j) "[redacted: project name] **Properties**" means the claims listed in section 3 of Schedule "C".
  - (k) "**Closing**" means the completion of the Acquisition pursuant to and in accordance with the terms and conditions of this Agreement.
  - (l) "**Closing Date**" means such date on which the Closing occurs, which shall be the date that is five (5) Business Days after the date of satisfaction or waiver of all the conditions precedent set out in Articles 9 and 10, or such other date as is mutually agreed by the Parties.
  - (m) "[redacted: project name] **Properties**" means the claims listed in section 4 of Schedule "C".
  - (n) "**Commercial Production**" has the meaning set forth in the Royalty Agreement.
  - (o) "**Common Shares**" means common shares in the capital of the Purchaser.
  - (p) "**Company Operating Agreement**" means the limited liability company operating agreement of the Vendor in the form attached as Schedule "D" hereto including such additions, deletions and/or modifications as the Vendor and Purchaser shall mutually agree in writing.
  - (q) "**Consulting Agreement**" means the consulting agreement to be entered into between the Purchaser and Maury C. Newton III, operating as Tectonex LLC, for the provision of exploration consulting and other related services by Mr. Newton to the Purchaser on terms satisfactory to the Purchaser, acting reasonably;

- (r) "[redacted: project name] Properties" means the claims listed in section 5 of Schedule "C".
- (s) "**Encumbrance**" means any mortgage, charge, deed of trust, security interest, pledge, lien (statutory or otherwise), charge, hypothecation, assignment, title retention arrangement, restrictive covenant, condition, royalty or other burden of any nature whether imposed by contract or operation of law.
- (t) "**Environmental Claims**" means all administrative, regulatory or judicial actions, suits, demands, claims, liens, notices of non-compliance or violation, investigations or proceedings relating in any way to any Environmental Law or any permit issued under any such Environmental Law.
- (u) "**Environmental Laws**" means all requirements of applicable common law, or of environmental, health or safety statutes, regulations, rules, ordinances, policies, orders, approvals, notices, licenses, permits or directives of any federal, territorial, provincial, state or local judicial, regulatory or administrative agency, board or Governmental Authority.
- (v) "**Exchange**" means the TSX Venture Exchange.
- (w) "**Feasibility Study**" means a detailed report showing the feasibility of placing all or any part of the Properties into Commercial Production at an acceptable rate of return on capital, in such form and detail as is customarily required by institutional lenders of major financing for mining projects, and shall include a reasonable assessment of the mineable ore reserves, a complete description of the work, equipment and supplies required to bring the Properties into Commercial Production and the estimated cost thereof, a description of the mining methods to be employed and a financial appraisal of the proposed operations supported by detailed explanations of the information.
- (x) "**Financing**" means the non-brokered private placement to be completed by the Purchaser concurrently with the completion of the Acquisition to raise aggregate gross proceeds of up to CAD\$1,250,000.
- (y) "[redacted: project name] Properties" means the claims listed in section 6 of Schedule "C".
- (z) "**Governmental Authority**" means (i) any international, multinational, national, federal, provincial, state, municipal, local or other governmental or public department, tribunal, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any securities commission or stock exchange, and (iv) any arbitrator, arbitration tribunal or other tribunal or quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.
- (aa) "**Grayson Properties**" means the claims listed in sections 1 of Schedule "A".
- (bb) "[redacted: project name] Properties" means the claims listed in section 7 of Schedule "C".
- (cc) "**Intermont**" has the meaning defined in the recitals.

- (dd) **"Intermont Claims"** means all of the Mineral Rights held by Intermont as of the date of this Agreement, other than the Properties, all as set forth in Schedule "C" hereto. This includes the [redacted: list of property names] (each an **"Intermont Claim"**).
- (ee) **"[redacted: project name] Properties"** means the claims listed in section 8 of Schedule "C".
- (ff) **"[redacted: project name] Properties"** means the claims listed in section 9 of Schedule "C".
- (gg) **"[redacted: project name] Properties"** means the claims listed in section 10 of Schedule "C".
- (hh) **"[redacted: project name] Properties"** means the claims listed in section 11 of Schedule "C".
- (ii) **"Letter Agreement"** means the letter agreement dated November 18, 2019 between the Purchaser and the Vendor.
- (jj) **"Loan Agreement"** means the loan agreement dated December 17, 2019, as amended, between the Vendor and the Purchaser pursuant to which the Purchaser provided the Advance to the Vendor and may advance further amounts of up to US\$30,000.
- (kk) **"[redacted: project name] Properties"** means the claims listed in section 12 of Schedule "C".
- (ll) **"Mineral Rights"** means mineral claims, mining leases, mineral concessions and other forms of tenure or other rights to minerals, or to work upon lands for the purpose of searching for, developing or extracting minerals under any forms of mineral title recognized under the laws of the state of Nevada or any subdivision thereof, whether contractual, statutory or otherwise, or any interest therein, and includes, but is not limited to, unregistered or open claims identified by Intermont.
- (mm) **"[redacted: project name] Properties"** means the claims listed in section 13 of Schedule "C".
- (nn) **"Option Agreement"** means the agreement to be entered into between the Purchaser, the Vendor and the Vendor Members pursuant to which the Vendor Members will collectively grant to the Purchaser the sole and exclusive option to acquire all of the outstanding securities of the Vendor for consideration not exceeding 6,000,000 Common Shares and otherwise on terms satisfactory to the Purchaser acting reasonably.
- (oo) **"Option"** has the meaning defined in Section 4.01.
- (pp) **"Option Buyback Deadline"** has the meaning defined in Section 4.07.
- (qq) **"Option Period"** means a period of 24 months from the Closing Date.
- (rr) **"Option Royalty"** has the meaning defined in Section 4.07.

- (ss) "[redacted: project name] Properties" means the claims listed in section 14 of Schedule "C".
- (tt) "**Parties**" means the Vendor and the Purchaser and a "**Party**" means the Vendor or the Purchaser.
- (uu) "**Payment Shares**" means an aggregate of 1,000,000 post-Split Common Shares, to be issued to the Vendor as a portion of the consideration payable for the Acquisition as provided in Section 2.02.
- (vv) "**Permitted Encumbrances**" means:
- (i) all reservations, limitations, provisions and conditions expressed in the original grant of title of the lands and premises comprising the Properties from a Governmental Authority;
  - (ii) any liens for taxes, levies and assessments payable to a Governmental Authority;
  - (iii) all rights of expropriation of any Governmental Authority;
  - (iv) any easement or right-of-way to any utility (either municipal, private or public) whether it be for gas, water, electricity and/or telephone for service to the Properties; and
  - (v) the Royalties.
- (ww) "**Person**" means an individual, corporation, partnership, body corporate, trust, joint venture or any other form of enterprise or legal entity or Governmental Authority.
- (xx) "[redacted: project name] Properties" means the claims listed in section 15 of Schedule "C".
- (yy) "**Powerline Properties**" means the claims listed in sections 2 of Schedule "A".
- (zz) "**Production Decision**" means a written determination by the board of directors of Cortus, or any subsequent holder of the Properties, to commence the development of the Properties and bring them into Commercial Production in accordance with a Feasibility Study.
- (aaa) "**Properties**" has the meaning defined in Recital A.
- (bbb) "**Property Shares**" has the meaning defined in Section 4.02.
- (ccc) "**Purchaser**" has the meaning defined in the recitals.
- (ddd) "**Purchaser Affiliate**" means any Person that directly or indirectly Controls, is Controlled by, or is under common Control with, the Purchaser;
- (eee) "**Purchaser Group**" means collectively the Purchaser and the Purchaser Subsidiary;
- (fff) "**Purchaser Public Disclosure Record**" has the meaning defined in Section 6.01.

- (ggg) "**Purchaser Subsidiary**" means the Nevada limited liability corporation to incorporated by the Purchaser as a wholly owned subsidiary prior to the Closing Date;
- (hhh) "[redacted: project name] **Properties**" means the claims listed in section 16 of Schedule "C".
- (iii) "[redacted: project name] **Properties**" means the claims listed in section 17 of Schedule "C".
- (jjj) "[redacted: project name] **Properties**" means the claims listed in section 18 of Schedule "C".
- (kkk) "**Royalties**" means the 2.0% net smelter returns royalties to be granted to the designated Affiliate of the Vendor Members in respect of each of the Grayson and Powerline Properties (each a "**Royalty**") and the buyback rights to Cortus in relation thereto pursuant to and subject to the terms and conditions as set forth in the Royalty Agreement.
- (lll) "**Royalty Agreement**" means the royalty agreement to be entered into between the Parties in relation to the Royalties in the form attached hereto as Schedule "B".
- (mmm) "**Sale Properties**" has the meaning defined in Section 4.06.
- (nnn) "[redacted: project name] **Properties**" means the claims listed in section 19 of Schedule "C".
- (ooo) "**Split**" means the forward split of the Purchaser's Common Shares on a one old for two new basis to be completed on or prior to the Closing Date.
- (ppp) "**Technical Information**" means all regulatory land, geological, geophysical, geochemical, drilling and engineering information, data and reports and any other technical data, if any, in the Vendor's possession or over which the Vendor has control relating to exploration activities on and in the vicinity of the Properties or the Restrictive Area, as such term is defined within the Option Agreement.
- (qqq) "**Termination Date**" has the meaning defined in Section 13.
- (rrr) "**Vendor**" has the meaning defined in the recitals.
- (sss) "**Vendor Members**" means each holder of a membership interest in the Vendor, including their Affiliates.
- (ttt) "[redacted: project name] **Properties**" means the claims listed in section 20 of Schedule "C".
- (uuu) "[redacted: project name] **Properties**" means the claims listed in section 21 of Schedule "C".

1.02 The following are the Schedules to this Agreement:

Schedule "A" - Properties

Schedule "B" - Royalty Agreement

- Schedule "C" - Intermont Claims  
 Schedule "D" - Company Operating Agreement

1.03 For purposes of this Agreement, except as otherwise expressly provided:

- (a) "this Agreement" means this agreement, including the Schedules hereto, as may from time to time be supplemented or amended and in effect.
- (b) All references in this Agreement to a designated "Article", "Section", "subsection" or other subdivision or to a Schedule are to the designated Article, Section, subsection or other subdivision of, or Schedule to, this Agreement unless otherwise specified.
- (c) The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, subsection or other subdivision or Schedule.
- (d) The headings in this Agreement are for convenience only and do not form a part of this Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.
- (e) All references to currency refer to lawful money of the United States of America (unless expressed to be in some other currency) and all amounts to be calculated or paid pursuant to this Agreement are to be calculated in lawful money of United States of America.
- (f) Any reference to a corporate entity includes and is also a reference to any corporate entity that is a successor to such entity.
- (g) The word "or" is not exclusive and the word "including" is not limiting (whether or not non-limiting language, such as "without limitation" or "but not limited to" or other words of similar import are used with reference thereto).
- (h) Except as otherwise provided, any reference to a statute includes and is a reference to such statute and to the regulations made pursuant thereto with all amendments made thereto and in force from time to time, and to any statute or regulations that may be passed which have the effect of supplementing or superseding such statute or such regulations.
- (i) Words importing the masculine gender include the feminine or neuter gender and words in the singular include the plural and vice versa.
- (j) Any action to be taken pursuant to this Agreement on a day which is not a Business Day shall be taken on the next succeeding Business Day.
- (k) In this Agreement, references to "knowledge" as it relates to the Vendor means the actual knowledge of Maury C. Newton II, in his capacity as President and Chief Executive Officer of the Vendor.

## **2. ACQUISITION AND PURCHASE**

2.01 Based upon the representations and warranties of the Parties set forth herein, and subject to the terms and conditions herein, the Purchaser agrees to purchase from the Vendor, and the Vendor

agree to sell to the Purchaser, free and clear of all Encumbrances other than Permitted Encumbrances, on the Closing Date, a 100% undivided legal and beneficial right, title and interest in and to the Properties and the Technical Information.

- 2.02 As consideration for the Acquisition, the Purchaser agrees to:
- (a) make the following cash payments to the Vendor:
    - (i) CAD\$25,000 in cash payable on the date of the execution of the Letter Agreement (which payment the Vendor acknowledges has been received); and
    - (ii) US\$180,000 in cash payable on the Closing Date (less any amounts advanced over and above the Advance pursuant to the Loan Agreement).
  - (b) issue the Payment Shares to the Vendor on the Closing Date; and
  - (c) allow the Vendor to grant to the Vendor Members the Royalties in respect of the Properties on the Closing Date.
  - (d) In addition to the above, the Purchaser agrees to forgive all amount advanced under the secured loan pursuant to the Loan Agreement, including the Advance.
- 2.03 The Vendor acknowledges that the Acquisition is expressly conditional on the Vendor's undivided legal and beneficial right, title and interest in and to the Properties and the Technical Information.
- 2.04 The Vendor acknowledges that the issuance of the Payment Shares may be subject to certain resale and trading restrictions under applicable securities laws and that the Purchaser may be required to legend the certificate representing the Payment Shares as may be required pursuant to applicable securities laws and the policies of the Exchange.
- 2.05 The Purchaser acknowledges that any resale and trading restrictions of the Payment Shares will not extend beyond a period of four months and one day and that the Payment Shares will not be subject to any escrow conditions imposed by any regulatory authority.
- 2.06 The Vendor Members and Vendor acknowledge and agree that the US\$180,000 to be paid on the Closing Date will be utilized solely in accordance with the budget to be prepared by the Purchaser following the Closing Date and provided to the Vendor in writing and shall include the repayment of an unsecured loan made to the Vendor by Dennis Moore of US\$85,000 to be completed as soon as practicable following the Closing Date.

### **3. NET SMELTER RETURNS ROYALTIES**

- 3.01 The Affiliate of the Vendor Members as indicated in the Royalty Agreement will be granted the Royalties in respect of each of the Properties on the terms and conditions set forth in the Royalty Agreement. The Purchaser may at any time prior to 180 days following the earlier of (i) a Production Decision being made or (ii) the commencement of Commercial Production, on the Grayson Properties or the Powerline Properties, as applicable, (the "**Buyback Deadline**") purchase one-half of the Royalty in respect of such of the Properties on which a Production Decision has been made or Commercial Production has commenced, as the case may be, (for clarity an aggregate 1%), for payment of US\$1,500,000 per Royalty, which may be paid, at the option of the Purchaser, through the issuance of its Common Shares, each such share having a deemed value equivalent to

the 20-day volume weighted average price of the Purchaser's Common Shares for the period which ends three Business Days prior to the date the Purchaser provides payment for a period of up to 60 days following the Buyback Deadline, or in cash up to 180 days following the Buyback Deadline. Any shares issuable thereunder shall be subject to such applicable resale restrictions as may be required by applicable securities laws.

#### **4. RIGHT TO ACQUIRE**

- 4.01 For the Option Period, the Vendor shall grant to the Purchaser the sole and exclusive option (the "**Option**") to acquire any of the Intermont Claims held directly or indirectly, by the Vendor. The Option may only be exercised in respect of the entirety of an Intermont Claim or Intermont Claims, and not any portion thereof.
- 4.02 Should the Purchaser wish to exercise the Option in respect of any Intermont Claims, the Purchaser shall give written notice of its intent to the Vendor and shall in consideration therefor, issue 200,000 post- Split Common Shares (the "**Property Shares**") to the Vendor per Intermont Claim. Immediately following receipt of same, the Vendor shall deliver to the Purchaser a transfer form(s) suitable for the purposes of transferring the registered and beneficial interest in and to such Mineral Rights to the Purchaser, the Purchaser Subsidiary or an Affiliate, as determined by the Purchaser. For additional clarity, an Intermont Claim shall refer to one of the Intermont Claims listed in the definition at Section 1.01(cc) of this Agreement and the Property Shares will be issued per each Intermont Claim.
- 4.03 The number of Property Shares issuable pursuant to Section 4.02 above will be adjusted as a result of consolidations, splits (other than the Split) or other reclassification of the Common Shares occurring during the Option Period including adjustments as may be required in relation to a take-over bid, merger or other form of corporate re-organization of the Purchaser resulting in a successor issuer.
- 4.04 The Vendor and Vendor Members acknowledge that the issuance of any Common Shares pursuant to this Article 4 may be subject to certain resale and trading restrictions under applicable securities laws and that the Purchaser may be required to legend the certificate representing such Common Shares as may be required pursuant to applicable securities laws and the policies of the Exchange.
- 4.05 The Purchaser acknowledges that any resale and trading restrictions of the Common Shares will not extend beyond a period of four months and one day and that the Common Shares will not be subject to any escrow conditions imposed by any regulatory authority.
- 4.06 During the Option Period:
- (a) The Vendor and the Vendor Members shall not deal, or attempt to deal with any right, title and interest in and to the Intermont Claims in any way that would or might affect the right of the Purchaser Group to become absolutely vested in an interest in and to such Mineral Rights equivalent to the interest of the Vendor, free and clear of all Encumbrances other than Permitted Encumbrances;
  - (b) The Vendor shall provide the Purchaser with any notices and correspondence received by the Vendor from any Governmental Authority in respect of the Intermont Claims;
  - (c) The Vendor shall keep the Intermont Claims in good standing and free and clear of all Encumbrances, other than Permitted Encumbrances, and pay all taxes, rentals and

maintenance fees on the Intermont Claims as may be necessary to keep the Intermont Claims in good standing. Notwithstanding the above, the Purchaser Group shall, during the Option Period, provide the Vendor with funding for the amounts necessary to pay all taxes, rentals and maintenance fees on the Intermont Claims as they become due. The Vendor, in turn, shall provide the Purchaser, on August 15 of each calendar year, confirmation that all such taxes, rentals and maintenance fees on the Intermont Claims have been paid, or the Purchaser Group may, if permitted by applicable laws, fund such payments to the applicable Governmental Authority directly on Intermont's behalf;

- (d) Should the Vendor wish to abandon, relinquish, transfer, sell or otherwise dispose of any of the Intermont Claims (the "**Sale Properties**"), the Vendor shall provide written notice to the Purchaser along with any applicable copy of any offer of purchase and sale received by it, and the Purchaser shall have a period of 30 days thereafter to exercise the Option pertaining to the Sale Properties. If the Purchaser does not elect to exercise the Option in respect of the Sale Properties, the Vendor shall be free to so abandon, relinquish, transfer, sell or otherwise dispose of the Sale Properties for period of 120 days thereafter. If the Vendor does not abandon, relinquish, transfer, sell, or otherwise dispose of the Sale Properties within such 120 day period, the Sale Properties shall remain subject to this Article 4 and the Vendor must comply with this Section 4.06(d) in respect of the Sale Properties. If the Purchaser elects to exercise the Option pertaining to the Sale Properties, such acquisition of the Sale Properties shall not count as an acquisition of Intermont Claims for the purposes of Section 4.09 below; and
- (e) The Vendor shall permit the Purchaser Group at their own expense and risk, access to the Intermont Claims, including for the purposes of preliminary exploration activities, and all data derived from carrying out work hereunder, provided that in exercising such right the Purchaser Group will comply with all applicable laws, including Environmental Laws and shall not unreasonably interfere with the activities of the Vendor and that the Purchaser Group and its representatives will defend, indemnify and save harmless the Vendor and its directors, officers, employees and agents from and against all and any losses, damages, expenses, claims, suits, actions and demands of any kind or nature whatsoever in any way referable to or arising out of the entry, presence or activities of the Purchaser Group or its representatives in connection with access to the Intermont Claims including, without limitation, bodily injuries or death or damage to property at any time resulting therefrom.

4.07 Upon the acquisition of any Intermont Claims pursuant to the exercise of the Option, the Purchaser or Purchaser Subsidiary (or other Purchaser Affiliate that receives such Mineral Rights, including as the case may be the Vendor) will grant to the Vendor Members, or their Affiliate, a 2.0% net smelter returns royalty in respect of each of such Intermont Claims (each an "**Option Royalty**"), which Option Royalty will be subject to the terms and conditions set forth in the royalty agreement to be entered into by the Vendor, the Vendor Members and the Purchaser Subsidiary (or other transferee of such Mineral Rights) in respect of same, and which royalty agreement will be in substantially the same form as the Royalty Agreement substituting the description of the Properties for the description of the respective Intermont Claim(s) to which the Option Royalty applies. The Purchaser Subsidiary, or any successor issuer or subsequent holder of the Properties, may at any time prior to 180 days following the earlier of (i) a Production Decision being made or (ii) the commencement of Commercial Production, on the applicable Intermont Claims (the "**Option Buyback Deadline**") purchase one half of each Option Royalty (or 1.0%) for payment of US\$1,500,000 per Option Royalty, which may be paid, at the option of the Purchaser, through the issuance of its Common Shares, each such share having a deemed value equivalent to the 20-day volume weighted average price of the Purchaser's Common Shares for the period which ends three

Business Days prior to the date the Purchaser provides payment for a period of up to 60 days following the Option Buyback Deadline, or in cash up to 180 days following the Option Buyback Deadline. Any shares issuable thereunder shall be subject to such applicable resale restrictions as may be required by applicable securities laws. For clarity, an Option Royalty will be granted in respect of the property comprising each Intermont Claim in respect of which the Option is exercised.

- 4.08 If at any time during the Option Period, the Purchaser Group stakes, directly or indirectly, or otherwise acquires any Mineral Rights located wholly or partly within the Area of Interest, the Purchaser shall forthwith give notice to Intermont of that staking and the relevant Option Royalty shall apply to such Mineral Rights.
- 4.09 Upon the Purchaser's acquisition of four or more Intermont Claims, the Purchaser Group Option under this Article 4 will be extinguished and the Purchaser will have a period of 30 days to exercise the Acquisition Option under the Option Agreement failing which the Acquisition Option will also be extinguished.
- 4.10 The Purchaser Group acknowledges and agrees that on or prior to the Exercise Date (as the term is defined in the Option Agreement), the Vendor Members shall have the right to cause the Vendor to distribute all Property Shares, Cortus Shares (as the term is defined in the Option Agreement), and Common Shares of the Purchaser held by Intermont and all net smelter returns royalties including the Royalties related to the Grayson and Powerline Properties and any Option Royalty issued or granted to it by the Purchaser Subsidiary or deemed to be granted to it by the Purchaser Subsidiary pursuant to this Agreement and/or the Option Agreement, to the Vendor Members, pro rata, provided that any such distribution shall be completed in a manner that does not create liabilities for taxes in the Vendor or to the Purchaser Group. If such distribution does not occur prior to or within 120 days of the Exercise Date (as the term is defined in the Option Agreement), such assets will remain in the Vendor.

## **5. REPRESENTATIONS AND WARRANTIES OF THE VENDOR**

- 5.01 The Vendor hereby represents and warrants to the Purchaser that:
- (a) the Vendor repeats and affirms all representations and warranties from Section 2.1(k)-(v) of the Option Agreement;
  - (b) the Vendor is a limited liability corporation duly incorporated, validly existing and in good standing under the laws of the State of Wyoming;
  - (c) the Vendor has full corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement and any agreement or instrument referred to or contemplated by this Agreement, including the authority to transfer all of the Vendor's legal and beneficial title to and interest in the Properties to the Purchaser;
  - (d) the Vendor is qualified to carry on business in the State of Nevada;
  - (e) the entering into this Agreement and the consummation of the transactions contemplated hereby does not conflict with any applicable laws or with the constating documents of the Vendor nor does it conflict with, or result in a breach of or accelerate the performance required by any other contract or other commitment to which the Vendor is party or by which the Vendor is bound;

- (f) this Agreement has been duly authorized, executed and delivered by the Vendor and constitutes a legal, valid and binding obligation on the Vendor, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights and remedies of creditors and the general principles of equity;
- (g) the Mineral Rights comprising the Properties are properly and accurately described in Schedule "A";
- (h) other than the Royalties to be granted pursuant to this Agreement, there are no contractual payments, royalties or royalty interests, whether registered or unregistered, affecting the Properties, including any agreement, contract, option, commitment or other right in favour of, or held by, any Person to acquire or to buy-back such royalties or royalty interests or any portion thereof;
- (i) the Mineral Rights comprising the Properties have been duly and validly located and recorded pursuant to all applicable laws and regulations of the State of Nevada;
- (j) all filings, payments and recordings required to be made with any Governmental Authority to maintain the Properties in good standing have been made and all work requirements to be met to maintain the Properties in good standing have been met and, to the Vendor's knowledge, no default has been alleged in respect thereto;
- (k) the Vendor has expended at least CAD\$100,000 in 'Approved Expenditures' as such term is defined in Policy 1.1 of the Corporate Finance Manual of the Exchange within the last 36 months preceding the date of this Agreement;
- (l) the Vendor, directly or indirectly, owns and has good title to, and, except as indicated in Schedule "A" hereto, is the registered and beneficial owner of, the Mineral Rights comprising the Properties, free and clear of all Encumbrances or other claims whatsoever (except for Permitted Encumbrances) and the Vendor is in exclusive and sole possession of the Properties and has the sole and exclusive right to explore such Properties;
- (m) to the knowledge of the Vendor, there are no adverse claims, challenges, suits, actions, prosecutions, investigations or proceedings against or to the ownership of or rights or title to the Properties or any portion thereof;
- (n) the Vendor has not had notice of and has no knowledge of any proposal to terminate or vary the terms of rights attaching to the Properties from any Governmental Authority, or of any challenge to any right, title or interest in the Properties;
- (o) the Vendor has not received written notice from Governmental Authority that any part of the Properties lies within any protected area, rescued area, reserve, reservation or reserved area or other area designated by any Governmental Authority, that would impair the development of a mining project thereon;
- (p) at Closing, the Vendor shall have the ability, if the Purchaser so elects, to transfer the Properties to the Purchaser free and clear of all Encumbrances other than Permitted Encumbrances;

- (q) to the knowledge of the Vendor, there are no Environmental Claims in respect to the Properties, nor have any activities of or on behalf of Vendor on the Properties been in violation of any applicable Environmental Law, regulations or regulatory prohibition or order, and conditions on and relating to the Properties are in compliance with such Environmental Laws, regulations, prohibitions and orders;
- (r) to the knowledge of the Vendor, there has been no material spill, discharge, leak, emission, ejection, escape, dumping, or any release or threatened release of any kind, of any toxic or hazardous substance or waste (as defined by any applicable law) (collectively a "release") from, on, in or under the Properties or into the environment;
- (s) to the knowledge of the Vendor, neither the Vendor, nor any operator on behalf of the Vendor, has treated or is currently storing toxic or hazardous substance or waste on the Properties other than those used in connection with its exploration activities, which have been stored on the Properties and used in such activities in accordance with applicable licenses and applicable Environmental Laws;
- (t) other than the Permitted Encumbrances no Person has any right, agreement, option, understanding, commitment or privilege capable of becoming an agreement to acquire or purchase the Properties or any interest in or portion thereof;
- (u) there are no actions, suits or other legal proceedings pending or, to the knowledge of the Vendor, threatened against the Vendor. Neither the Vendor nor the Properties are subject to any outstanding judgment, order, writ, injunction or decree;
- (v) the Vendor is classified as a partnership for U.S. federal income tax purposes and has not made any election to be classified as an association taxable as a corporation on IRS Form 8832 or otherwise;
- (w) the Vendor is not insolvent, and no acts or proceedings have been taken by or against it in connection therewith, the Vendor has not received any notice in respect of, and the Vendor is not in the course of, liquidation, winding-up, dissolution, bankruptcy or reorganization; and
- (x) there are no consents or approvals to its performance under this Agreement which have not been obtained.

5.02 The representations and warranties hereinbefore set out are conditions upon which the Purchaser has relied on entering into this Agreement and shall survive the Closing for a period of two years, and the Vendor shall indemnify and hold harmless the Purchaser for any loss (other than loss of profits or other form of consequential loss), cost, expense, claim or damage, including legal fees and disbursements, suffered or incurred by the Purchaser as a result of any misrepresentation or breach of warranty of the Vendor arising under the Agreement.

## **6. REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

6.01 The Purchaser represents and warrants to the Vendor that:

- (a) the Purchaser is a corporation duly incorporated, validly existing and in good standing under the laws of the Province of British Columbia;

- (b) the Purchaser has full corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement and any agreement or instrument referred to or contemplated by this Agreement;
- (c) it is qualified to carry on business in British Columbia and will, directly or indirectly, on the Closing Date be qualified to conduct mineral exploration activities in the State of Nevada;
- (d) the entering into of this Agreement and the consummation of the transactions contemplated hereby does not conflict with any applicable laws or with the constating documents of the Purchaser nor does it conflict with, or result in a breach of, or accelerate the performance required by any contract or other commitment to which the Purchaser is a party or by which it the Purchaser bound;
- (e) this Agreement has been duly authorized, executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation on it, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights and remedies of creditors and the general principles of equity;
- (f) the Common Shares in the capital of the Purchaser are listed on the Exchange and there is no order currently issued by the Exchange suspending the trading of such Common Shares, nor will any order be in place at Closing, other than the halt in trading of the Common Shares imposed in connection with the execution of the Letter Agreement;
- (g) the Purchaser is a reporting issuer in the provinces of British Columbia, Alberta and Ontario, and is not in breach or default of any applicable securities laws or the rules and policies of any other applicable Governmental Authority;
- (h) the Purchaser has filed all documents required by applicable securities laws (all such documents are referred to collectively as the "**Purchaser Public Disclosure Record**") with the applicable securities authorities on SEDAR. All such documents comprising the Purchaser Public Disclosure Record, as of their respective dates (and the dates of any amendments thereto), (i) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, and (ii) complied in all material respects with the requirements of applicable securities laws. The Purchaser has not filed any confidential material change report that at the date of this Agreement remains confidential;
- (i) there are no actions, suits or other legal proceedings pending or, to the knowledge of the Purchaser, threatened against the Purchaser. Neither the Purchaser nor its assets or properties are subject to any outstanding judgment, order, writ, injunction or decree;
- (j) other than the acceptance of the Exchange (and any shareholder approval requirement imposed thereby), there are no consents or approvals to its performance under this Agreement which have not been obtained;
- (k) the Payment Shares, when issued on the Closing Date, shall be validly issued and outstanding as fully paid and non-assessable Common Shares in the capital of the Purchaser, and shall be free of clear of all Encumbrances;

- (l) The authorized capital of the Purchaser consists of an unlimited number of Common Shares, of which 4,800,000 Common Shares have been validly issued as at the date hereof, are outstanding as fully paid and non-assessable shares;
  - (m) No Person has any agreement or option or any right or privilege (whether by law, preemptive or contractual) capable of becoming an agreement, including convertible securities, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any un-issued Common Shares or other securities of the Purchaser, except for the Payment Shares, 110,000 Common Shares reserved for issuance upon the exercise of 110,000 outstanding warrants, 440,000 Common Shares reserved for issuance upon the exercise of 440,000 outstanding incentive stock options, or in relation to the Financing;
  - (n) The audited annual financial statements of the Purchaser for the year ended December 31, 2018 and the unaudited interim financial statements of the Purchaser for the nine month period ended September 30, 2019, including the notes thereto, present fairly in all material respects the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Purchaser as at the respective dates indicated and the sales, earnings and results of operations of the Purchaser throughout the periods indicated;
  - (o) No adverse material change in the Purchaser's financial position has taken place since the date of the latest statement of financial position contained in the financial statements of the Purchaser, except as disclosed in the Purchaser Public Disclosure Record;
  - (p) All tax returns, reports, elections, remittances and payments of the Purchaser required by applicable laws have been filed or made, except where the Purchaser is contesting in good faith any re-assessments of its taxes payable thereunder, and are true, complete and correct except where the failure to make such filing, election, or remittance and payment shall not have a material adverse effect on the Purchaser or its business;
  - (q) the Purchaser is not insolvent, and no acts or proceedings have been taken by or against it in connection therewith, the Purchaser has not received any notice in respect of, and the Purchaser is not in the course of, liquidation, winding-up, dissolution, bankruptcy or reorganization; and
  - (r) No order ceasing or suspending trading in the Purchaser's Common Shares nor prohibiting sale of the Purchaser's Common Shares has been issued to, and is outstanding against, the Purchaser or its directors, officers or promoters and, to the Purchaser's knowledge, no investigations or proceedings for such purposes are pending or threatened.
- 6.02 The representations and warranties hereinbefore set out are conditions upon which the Vendor has relied on entering into this Agreement and shall survive the Closing for a period of two years, and the Purchaser shall indemnify and hold harmless the Vendor for any loss (other than loss of profits or other form of consequential loss), cost, expense, claim or damage, including legal fees and disbursements, suffered or incurred by the Vendor as a result of any misrepresentation or breach of warranty of the Purchaser arising under the Agreement.

## **7. COVENANTS OF THE VENDOR**

- 7.01 The Vendor hereby covenants with and to the Purchaser that up to and including the Closing Date:

- (a) it will provide the Purchaser with all Technical Information;
- (b) other than as provided in this Agreement, it will not deal, or attempt to deal with any right, title and interest in and to the Properties in any way that would or might affect the right of the Purchaser to become absolutely vested in an interest in and to the Properties equivalent to the interest of the Vendor, free and clear of all Encumbrances other than Permitted Encumbrances;
- (c) will promptly apply for and use all reasonable efforts to obtain all approvals of any Governmental Authority which is required in connection with the consummation of the transactions contemplated hereby; and
- (d) it shall use commercially reasonable efforts to do all such other acts and things as may be necessary or desirable to give effect to the transaction contemplated by this Agreement.

## **8. COVENANTS OF THE PURCHASER**

8.01 The Purchaser hereby covenants and agrees with the Vendor that it:

- (a) will promptly apply for and use all reasonable efforts to obtain all approvals of the Exchange and any other Governmental Authority which is required in connection with the consummation of the transactions contemplated hereby, including approval to the listing on the Exchange of the Payment Shares; and
- (b) shall use commercially reasonable efforts to do all such other acts and things as may be necessary or desirable in order to give effect to the transaction contemplated by this Agreement.

## **9. CONDITIONS PRECEDENT OF THE VENDOR**

9.01 The obligations of the Vendor pursuant to this Agreement are subject to the following conditions being satisfied:

- (a) all necessary regulatory requirements, consents, orders and approvals necessary or desirable for the completion of the Acquisition have been obtained or received, each in a form acceptable to both Parties, acting reasonably
- (b) the representations and warranties of the Purchaser contained in this Agreement shall be true and correct as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such date (except (i) those representations and warranties that address matters only as of a particular date or only with respect to a specific period of time, which need only be true and accurate as of such date or with respect to such period, and (ii) as such representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted by this Agreement);
- (c) the Purchaser Group shall have performed or complied with, in all material respects, all of its obligations, covenants and agreements as contained in this Agreement on or before the Closing Date;

- (d) on the Closing Date, there will not be pending or threatened any action or claim by any Governmental Authority or any other person to enjoin, restrict or prohibit the Vendors' sale of the Properties or otherwise result in any loss or impairment of any interest in the Properties;
- (e) on the Closing Date, there will be no cease trade order in effect that ceases or suspends the trading of the securities of the Purchaser or otherwise prohibits the sale and issuance of the Payment Shares; and
- (f) there shall be no prohibition at law against the consummation of the Acquisition.

The foregoing conditions shall be for the exclusive benefit of the Vendor and may, without prejudice to any of the rights of the Vendor hereunder (including reliance on or enforcement of warranties or covenants which are preserved dealing with or similar to the condition or conditions waived) be waived by it in writing, in whole or in part, at any time.

## **10. CONDITIONS PRECEDENT OF THE PURCHASER**

10.01 The obligation of the Purchaser to complete the Acquisition pursuant hereto is subject to the following conditions being satisfied:

- (a) the Purchaser shall have completed the Financing;
- (b) the Purchaser shall have entered into the Option Agreement with the Vendor Members and the Consulting Agreement with Maury C. Newton III, operating as Tectonex LLC;
- (c) all necessary regulatory requirements, consents, orders and approvals necessary or desirable for the completion of the Acquisition have been obtained or received, including the approval of the Exchange, each in a form acceptable to both Parties, acting reasonably;
- (d) the representations and warranties of the Vendor contained in this Agreement shall be true and correct as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such date (except (i) those representations and warranties that address matters only as of a particular date or only with respect to a specific period of time, which need only be true and accurate as of such date or with respect to such period, and (ii) as such representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted by this Agreement);
- (e) the Vendors shall have performed or complied with, in all material respects, all of its obligations, covenants and agreements as contained in this Agreement on or before the Closing Date;
- (f) on the Closing Date, there will not be pending or threatened any action or claim by any Governmental Authority or any other person to enjoin, restrict or prohibit the Vendors' sale of the Properties or otherwise result in any loss or impairment of any interest in the Properties;
- (g) on the Closing Date, there will be no cease trade order in effect that ceases or suspends the trading of the securities of the Purchaser or otherwise prohibits the sale and issuance of the Payment Shares;

- (h) the Purchaser shall have received a copy of an opinion obtained by the Vendor, at the cost of the Purchaser, in form and substance acceptable to the Purchaser, acting reasonably, regarding staking practices in the State of Nevada; and
- (i) there shall be no prohibition at law against the consummation of the Acquisition.

The foregoing conditions shall be for the exclusive benefit of the Purchaser and may, without prejudice to any of the rights of the Purchaser hereunder (including reliance on or enforcement of warranties or covenants which are preserved dealing with or similar to the condition or conditions waived) be waived by it in writing, in whole or in part, at any time.

## **11. CLOSING**

- 11.01 The Acquisition shall be completed at 2:00 p.m. on the Closing Date, at the offices of the Purchaser's solicitors, S. Paul Simpson Law Corporation, located at Suite 2080-777 Hornby Street, Vancouver, British Columbia, or by way of undertakings or standard deliveries as between the Parties' respective solicitors, or at such other time or at such other location as may be mutually agreed upon in writing by the Parties.
- 11.02 On the Closing Date, the Vendor shall deliver, or cause to be delivered, to the Purchaser the documents set forth in Section 11.03 hereof and such other documents as the Purchaser may reasonably require to complete the Acquisition intended hereby and the Purchaser shall deliver, or cause to be delivered, to the Vendor the documents set forth in Section 11.04 hereof and such other documents as the Vendor may reasonably require to complete the Acquisition intended hereby.
- 11.03 On the Closing Date, the Vendor shall deliver or cause to be delivered to Purchaser at the place of the Closing the following:
  - (a) all Technical Information which has not already been delivered to the Purchaser;
  - (b) a transfer form(s) suitable for the purposes of transferring the registered and beneficial interest in and to the Properties to the Purchaser or the Purchaser Subsidiary at such time as the Purchaser determines acting reasonably, for such period following the Closing Date until the completion of such transfer, the Vendor acknowledges and agrees that it shall retain the registered interest in the Properties in trust for the benefit of the Purchaser Group;
  - (c) an executed copy of the Royalty Agreement signed by the Vendor and the Vendor Members;
  - (d) an executed copy of the Company Operating Agreement signed by the Vendor and the Vendor Members;
  - (e) a certified copy of the resolutions of the board of directors and shareholders, if required under applicable laws, of the Vendor approving this Agreement and the Acquisition;
  - (f) a valid IRS Form W-9 certifying its status as a U.S. person; and
  - (g) such further documents and assurances as the Purchaser may reasonably require in order to give effect to the provisions hereof.

- 11.04 At the Closing, the Purchaser shall deliver or cause to be delivered to the Vendor at the place of the Closing the following:
- (a) A certified cheque, bank draft or wire transfer in the amount of US\$180,000 in accordance with the provisions of subsection 2.02(a)(ii);
  - (b) certificates representing the Payment Shares issued to and registered in the name of the Vendor;
  - (c) a deed of forgiveness and release in relation to all amounts advanced under the Loan Agreement, including the Advance, as signed by the Purchaser;
  - (d) an executed copy of the Royalty Agreement signed by the Purchaser;
  - (e) an executed copy of the Company Operating Agreement signed by the Purchaser;
  - (f) a certified copy of the resolutions of the board of directors of the Purchaser approving this Agreement, the Acquisition and the issuance of the Payment Shares hereunder; and
  - (g) such further documents and assurances as the Vendor may reasonably require in order to give effect to the provisions hereof.
- 11.05 If the Purchaser so elects, the Vendors and the Purchaser Group will, as soon as practical after the Closing but at such time as directed by the Purchaser, execute and file all such documents with the applicable office of the Nevada Bureau of Land Management and perform such acts and do such things as is necessary to effectively transfer legal title in and to the Properties to the Purchaser Subsidiary, and record such legal interest in and to the Properties such that the Purchaser Subsidiary is the recorded owner of 100% of the Properties.

## **12. STANDSTILL**

- 12.01 From the date of this Agreement until the earlier of the Termination Date and the Closing Date, the Parties (and any of their respective directors, officers, employees, or agents, including attorneys, accountants and investment bankers, as applicable) will not, directly or indirectly, solicit, initiate, assist, facilitate, promote or encourage proposals or offers from, entertain or enter into discussions or negotiations with, or provide information relating to their securities, assets, including the Properties, business, operations, affairs or financial to any persons in connection with the acquisition or distribution of any securities of either of the Parties, or any amalgamation, merger, consolidation, arrangement, restructuring, refinancing, sale of any material assets of either Party, unless such action, matter or transaction is part of the transactions contemplated in this Agreement (including without limitation the Financing) or is satisfactory to, and is approved in writing in advance by the Parties or is necessary to carry on the normal course of business, always subject to a Party's fiduciary duties at law.
- 12.02 From the date of this Agreement until the earlier of the Termination Date and the Closing Date, the Parties agree to:
- (a) to terminate any ongoing acquisition or merger-type discussions with third parties;
  - (b) not to, directly or indirectly, solicit, initiate or encourage proposals of offers from, or negotiations with, any third party, or provide information to or facilitate any discussions or

negotiations with any third party, regarding any other potential merger or acquisition of all or a material portion of Vendor's business, assets or outstanding securities; and

- (c) to work exclusively with the other Party to complete the Acquisition.

### **13. TERMINATION**

13.01 This Agreement shall terminate on the date any of the following occurs (the "**Termination Date**"):

- (a) By written agreement of the Parties to terminate this Agreement;
- (b) By either Party by providing written notice to the other Party in the event that the Closing Date does not occur on or before 5:00 p.m. (Vancouver time) on or before August 15, 2020 or such later date as the Parties may agree in writing (provided that the right to terminate this Agreement under this subsection 13.01(b) shall not be available to any Party where failure to fulfill any of its obligations under this Agreement has been the cause of or resulted in the failure to consummate the transactions contemplated hereby by such date);
- (c) By either Party by providing written notice to the other Party if any Governmental Authority has notified in writing any of the Parties that it will not permit the transactions contemplated by this Agreement to proceed; or
- (d) By either Party by providing written notice to the other Party in the event that there has been a material misrepresentation, breach or non-performance by the other Party of any material representation, warranty, covenant or obligation contained in this Agreement, which could reasonably be expected to have a material adverse effect on the other Party, provided the breaching Party has been given notice of and fourteen (14) days in which to cure any such misrepresentation, breach or non-performance.

Upon termination of the Agreement as provided for in this Section 13.01, this Agreement shall have no further force and effect and the Parties shall have no further obligations to one another, provided that Article 4, Article 15 and this Article 13 shall survive the termination of this Agreement and provided, however, that any such termination shall not prejudice the rights of a Party as a result of a breach by any other Party of its obligations hereunder or a liability resulting from the fraud or wilful misconduct of such Party in connection with the termination of this Agreement

### **14. NOTICES**

14.01 Any notice or other communication required or permitted to be given under this Agreement must be in writing and shall be effectively given if delivered personally or by overnight courier or if sent by email, addressed in the case of notice to the Parties, as the case may be, to its address set out on the first page of this Agreement. Any notice or other communication so given is deemed conclusively to have been given and received on the day of delivery when so personally delivered, on the day following the sending thereof by overnight courier, and on the same date when emailed unless the notice is sent after 4:00 p.m. (Vancouver time) or on a day which is not a Business Day, in which case the email will be deemed to have been given and received on the next Business Day after transmission. Either Party may change any particulars of its name, address, contact individual or email address for notice by notice to the other Party in the manner set out in this Section 14.01. Neither Party shall prevent, hinder or delay or attempt to prevent, hinder or delay the service on that Party of a notice or other communication relating to this Agreement.

**15. CONFIDENTIALITY OF INFORMATION**

- 15.01 As between the Vendor and the Purchaser, this Agreement and the information contained herein, together with all information, data or material provided by either Party to the other in connection herewith, is proprietary and confidential to the Party providing such information, data or material, and as such, shall not be disclosed by the recipient to third parties, other than a Party's legal advisers, auditors and other consultants requiring information for the purposes of completing the transactions contemplated in this Agreement, without the written consent of the provider of such confidential information, unless required by law or by the rules and regulations of any regulatory authority or stock exchange having jurisdiction. A Party disclosing confidential information as permitted hereunder must use all reasonable endeavours to ensure that Persons receiving the confidential information from it do not disclose the confidential information except in the circumstances permitted herein.
- 15.02 Information is not considered confidential for the purposes here if:
- (a) at the time of disclosure, the information is in the public domain;
  - (b) after the time of disclosure, the information enters the public domain other than as a result of a breach of a Party's obligations of confidentiality under this Article 15;
  - (c) a Party can show the information was, at the time of disclosure, directly in its or its affiliate's possession and that, without breach of any obligation of confidence, such Party is free to disclose to others;
  - (d) a Party can show the information was, after the time of disclosure, received by it or its affiliate from a Person who is not under an obligation of confidence; or
  - (e) a Party, in consultation with its legal advisors, reasonably believes the information must be publicly disclosed by law or by the rules and regulations of any regulatory authority or stock exchange having jurisdiction over such Party and such Party has limited its disclosure to that which is required by such law or rules and regulations to be disclosed.
- 15.03 No disclosure or announcement, public or otherwise, in respect of this Agreement or the transactions contemplated herein will be made by any Party without the prior approval of the other Party as to timing, content and method, hereto, provided that the provisions of this section will not prevent any Party from making, after consultation with the other Party, such disclosure as its counsel advises is required by the applicable securities laws.
- 15.04 The text of any news release or any other public statements which a Party is required to make shall be sent to the other Party for its comments at least one Business Day prior to publication and shall not include references to the other Party unless such Party has given its prior consent in writing. Any comments that the non-disclosing Party may make shall not be considered as confirmation by the other Party of the accuracy of the information in such press release. For all public disclosure, any reasonable changes requested by the non-disclosing Party shall be incorporated into the disclosure document. If a non-disclosing Party fails to provide comments within said time period, the disclosing Party may make the proposed press release.
- 15.05 In the event Closing does not take place, each Party shall return to each other Party all confidential information and materials about such disclosing Party in the other Party's possession provided that a Party shall not be required to return, or destroy: (i) board or board committee minutes; (ii) board

or board committee papers; (iii) any other materials required by law to be retained by such Party or its representatives or as a result of an automated data back-up system used in the ordinary course of business to which users would not normally have access in the ordinary course of business; (iv) where such documents are required to be retained for the purpose of applicable professional standards, practices codes or insurance policies; or (v) any material prepared by such Party or its representatives that are based on, contain or reflect any confidential information to be used only for evidentiary purposes in the event of litigation or other legal disputes regarding the Acquisition.

## **16. GENERAL TERMS AND CONDITIONS**

- 16.01 The Parties hereby covenant and agree that they will execute such further agreements, conveyances and assurances as may be requisite, or which counsel for the Parties may deem necessary to effectually carry out the intent of this Agreement.
- 16.02 This Agreement constitutes the entire agreement between the Parties with respect to the transaction contemplated by this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties, including without limitation the Letter Agreement.
- 16.03 No waiver of any term of this Agreement by a Party is binding unless such waiver is in writing and signed by the Party entitled to grant such waiver. No failure to exercise, and no delay in exercising, any right or remedy under this Agreement shall be deemed to be a waiver of that right or remedy. No waiver of any breach of any term of this Agreement shall be deemed to be a waiver of any subsequent breach of that term.
- 16.04 No amendment, supplement or restatement of any term of this Agreement is binding unless it is in writing and signed by each Party.
- 16.05 If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect and the Parties hereby undertake to renegotiate in good faith any such illegal, invalid or unenforceable provision with a view to concluding legal, valid and enforceable arrangements as nearly as possible the same as those contained in this Agreement.
- 16.06 This Agreement shall be governed by and interpreted in accordance with the laws in effect in British Columbia and the laws of Canada applicable therein.
- 16.07 This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and assigns.
- 16.08 No Party may assign any of its respective rights under this Agreement without the prior consent of each of the other Parties, provided that the Purchaser may assign its right to acquire the Properties or to exercise the Option to the Purchaser Subsidiary or an Affiliate, but for further clarity the Purchaser shall remain obligated to issue the Payment Shares and the Property Shares.
- 16.09 Each of the Vendor and the Purchaser will be responsible for their own legal, accounting and other costs in respect of the Agreement and the Acquisition.
- 16.10 Time is of the essence.

- 16.11 This Agreement may be executed in any number of 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 facsimile or other electronic means.

IN WITNESS WHEREOF this agreement has been executed by the Parties as of the day and year first above written.

**INTERMONT RESOURCES LLC.**

**By:** “Maury Claiborne Newton III”  
Authorized Signatory

**CORTUS METALS INC.**

**By:** “Sean Mager”  
Authorized Signatory

## **SCHEDULE "A"**

[REDACTED: List of Registered and Unregistered Claims, for competitive purposes]

**SCHEDULE "B"**

**ROYALTY AGREEMENT**

**(see attached commencing on the following page)**

**NET SMELTER RETURNS ROYALTY AGREEMENT**

This net smelter returns royalty agreement (the "**Royalty Agreement**"), dated effective \_\_\_\_\_, 2020, is entered into AMONG:

**INTERMONT RESOURCES LLC**, a company incorporated under the laws of Nevada and having its head office at [redacted: personal address] email: [redacted: personal email]

("Grantor");

AND:

**1205919 B.C. LTD.**, a company incorporated under the laws of British Columbia and controlled by the persons listed in Attachment 1-C, being the members of Intermont immediately prior to the closing of the transactions contemplated by the Purchase Agreement (as defined below)

("Vendor Members")

AND:

**CORTUS METALS INC.**, a company incorporated under the laws of the Province of British Columbia and having its head office at 10545-45 Avenue NW, 250 Southridge, Suite 300, Edmonton, Alberta, T6H 4M9, Canada email: [seanm@metalsgroup.com](mailto:seanm@metalsgroup.com)

("Cortus")

**WHEREAS:**

- A. Pursuant to that certain membership interest and mineral property transaction agreement dated May 28 2020 (the "**Purchase Agreement**") between Grantor, as the vendor thereunder, and Cortus, as the purchaser thereunder, in partial consideration for the purchase of the Purchased Interests (as defined in the Purchase Agreement), the Grantor has agreed to grant to the Vendor Members a 2.0% Net Smelter Returns Royalty on each of the Properties (defined below) and certain other rights;
- B. Vendor Members have agreed to grant a buy-back right to Cortus pursuant to which Cortus shall have a first and priority right to buy-back each of the Net Smelter Returns Royalties from Vendor Members; and
- C. The Parties wish to enter into this Royalty Agreement to define and establish the conditions governing each of the Net Smelter Returns Royalty and the buy-back rights thereunder.

**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 Purchase 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 Purchase Agreement, the term or definition in the Purchase Agreement shall control and govern):

- 1.1 "AABC" has the meaning defined in section 4.3.
- 1.2 "Affiliate" means any Person that directly or indirectly Controls, is Controlled by, or is under common Control with, a Party.
- 1.3 "After-Acquired Properties" means any right to or interest in any mining claim, licence, lease, grant, concession, permit, patent, or other mineral property staked, directly or indirectly by or on behalf of the Grantor or Cortus which are located, in whole or in part, within a distance of two kilometers from the boundary of the Properties as at the date of execution of this Royalty Agreement as more particularly outlined in Attachment 1-B.
- 1.4 "Allowable Deductions" means:
- (a) 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);
  - (b) Costs of handling, transporting, securing, stockpiling, storing, warehousing 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;
  - (c) *Ad valorem* taxes and taxes based upon sales or production, but no income taxes; and
  - (d) 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.

- 1.5 "Buyback Deadline" has the meaning defined in section 2.6.
- 1.6 "Buy-Back Royalties" means the portion of the Net Smelter Returns Royalties that Cortus or other Persons may purchase from Vendor Members pursuant to Section 2.6 of this Royalty Agreement.
- 1.7 "Commercial Production" means the commercial exploitation of Products from the Property or any part thereof as a mine but does not include milling, transport or sale of bulk samples for the purposes of testing or milling, deliveries and sales from a pilot plant or test operations. Commercial Production shall be deemed to have commenced:
- (a) 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 80% of the initial design rated capacity of all mines, plants and facilities located on the Property, or

- (b) 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.
- 1.8 "**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.
- 1.9 "**Cortus**" means Cortus Metals Inc., a British Columbia company.
- 1.10 "**Feasibility Study**" means a detailed report showing the feasibility of placing all or any part of the Properties into Commercial Production at an acceptable rate of return on capital, in such form and detail as is customarily required by institutional lenders of major financing for mining projects, and shall include a reasonable assessment of the mineable ore reserves, a complete description of the work, equipment and supplies required to bring the Properties into Commercial Production and the estimated cost thereof, a description of the mining methods to be employed and a financial appraisal of the proposed operations supported by detailed explanations of the information.
- 1.11 "**Grantor**" means Intermont Resources LLC and includes any subsequent holder of the Properties.
- 1.12 "**IFRS**" means **International Financial Reporting Standards**, from time to time, applied on a consistent basis.
- 1.13 "**Maximum Buy-Back Purchase Price**" means US\$1,500,000.
- 1.14 "**Net Smelter Returns**" shall be the gross revenues received from the sale of all 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 Intermont 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.
- 1.15 "**Net Smelter Returns Royalty**" means the royalty granted by Section 2.1 of this Royalty Agreement.
- 1.16 "**Notices**" has the meaning defined in section 5.5.
- 1.17 "**Party**" means a signatory to this Royalty Agreement and "**Parties**" means all of them.
- 1.18 "**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.
- 1.19 "**Prime Rate**" has the meaning defined in section 2.3.

- 1.20 **"Production Decision"** means a written determination by the board of directors of Cortus, or any subsequent holder of the Property, to commence the development of a Property and bring it into Commercial Production in accordance with a Feasibility Study.
- 1.21 **"Products"** shall mean all ore mined from the Properties and all concentrate, metal and products derived from ore mined from the Properties.
- 1.22 **"Properties"** shall mean the properties described in Attachment 1-A, being the Grayson and Powerline properties (and each a **"Property"**), subject to any modification, change or improvement thereon made from time to time by Intermont or any subsequent owner thereof, and including any After-Acquired Properties.
- 1.23 **"Purchase Agreement"** has the meaning defined in the recital A.
- 1.24 **"Royalty Agreement"** has the meaning defined in the recitals.
- 1.25 **"Royalty Percentage"** shall mean two percent (2.0%), which sum may be decreased upon the sale by Intermont of the Buy-Back Royalties, or any portion thereof, pursuant to Section 2.6 of this Agreement.
- 1.26 **"Transfer"** shall mean any sale, grant, assignment, conveyance or other transfer.
- 1.27 **"Vendor Members"** has the meaning defined in the recitals.
- 1.28 **"Withholding Amount"** has the meaning defined in section 2.5.

## ARTICLE 2 COMPUTATION AND PAYMENT OF NET SMELTER RETURNS

### 2.1 Grant and Computation

As provided in the Purchase Agreement, Grantor agrees to pay to the Vendor Members an amount equal to two net smelter returns royalties in respect of Products produced from the Grayson and Powerline Properties, respectively (each a **"Net Smelter Returns Royalty"**). 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.

### 2.2 Payments

Upon the commencement of Commercial Production, Grantor will make to the Vendor Members a payment equal to the Net Smelter Returns Royalty computed under Section 2.1 within forty-five (45) 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 copy of the calculations used in connection with such payment. 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 Vendor Members may designate pursuant to wire transfer instructions provided to Grantor from time to time.

### 2.3 **Late Payments**

Any payments not made when due under this Royalty Agreement shall bear interest at an annual rate equal to the Prime Rate (defined below) plus one percent (1%) calculated and compounded monthly from the due date to the date of payment. For the purposes of this Section 2.3, "**Prime Rate**" 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.

### 2.4 **Certified Calculation**

After the year in which Commercial Production begins, Intermont shall be provided annually on or before April 30, 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.

### 2.5 **Payments Net of Taxes**

All amounts payable on account of the Net Smelter Returns Royalty shall be paid free and clear of all taxes, deduction, withholdings, set-off or counterclaims whatsoever (except income taxes of Vendor Members or taxes on capital gains of Vendor Members) save only as may be required by law. However, Grantor or other payor of the Net Smelter Returns Royalty shall have the right to withhold any applicable U.S. federal withholding tax (the "**Withholding Amount**") from any payment, and to correspondingly reduce the net amount of the Net Smelter Returns Royalty by the Withholding Amount, to the extent the beneficial holder of such Net Smelter Returns Royalty is a non-U.S. person or otherwise fails to provide a valid IRS Form W-9 certifying its status as a U.S. person. In the event of such withholding, for all purposes of this Royalty Agreement, Grantor or other such payor shall be considered as paying the Withholding Amount to such holder of the Net Smelter Returns Royalty.

### 2.6 **Buy Back Right**

Immediately upon completion of the sale of the Purchased Interests pursuant to the Purchase Agreement, Cortus or any assignee of Cortus, shall have a first and prior right to acquire up to one-half (or 1%) of either of the Net Smelter Returns Royalties (the "**Buy-Back Royalties**") from Vendor Members for the Maximum Buy-Back Purchase Price per Net Smelter Returns Royalty at any time prior to 180 days following the earlier of (i) a Production Decision being made or (ii) the commencement of Commercial Production on the applicable Property (the "**Buyback Deadline**"). For clarity, the Maximum Buy-Back Purchase Price is payable on each individual Property. For further clarity, the holder of the Buy-Back Royalties need not be a holder of the Properties or the Purchased Interests and may hold the Buy-Back Royalties separately from the Properties or the Purchased Interests. Cortus shall have the right to pay the Maximum Buy-Back Purchase Price through the issuance of its common shares, each such share having a deemed value equivalent to the 20-day volume weighted average price of Cortus' common shares for the period which ends three business days prior to the date Cortus pays the Maximum Buy-Back Purchase Price for a period of up to 60 days following the Buyback Deadline or in cash up to 180 days following the Buyback Deadline. Any shares issuable hereunder shall be subject to such applicable resale restrictions as may be required by applicable securities laws.

**ARTICLE 3  
ACCOUNTING MATTERS**

**3.1 Accounting Principles**

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

**ARTICLE 4  
AUDITS AND DISPUTES**

**4.1 Audit**

Vendor Members, or Cortus, should it acquire the Buy-Back Royalties, 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 three (3) months after receipt of a payment under Section 2.2 or a certification under Section 2.4 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 ten percent of actual payment or the statement of payment exceeded the calculation of the Net Smelter Returns Royalty by more than ten percent of those stated, then the costs of the audit shall be borne by Vendor Members or Cortus as the case may be; and
- (b) if the auditors determine that the statement of payment understated the calculation of the Net Smelter Returns Royalty by greater than a ten percent margin, 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 shall be paid by the Grantor to Vendor Members or Cortus, as the case may be, within 30 days.

**4.2 Disputes**

Vendor Members and Cortus, if applicable, shall be deemed to have waived any right they may have had to object to a payment made for any calendar year, unless they provide notice in writing of such objection within twelve (12) months of the prior calendar year.

**4.3 Arbitration**

- (a) In the event that any dispute arising out of or relating to this Royalty Agreement or its breach, termination or validity then such claim, controversy or dispute shall, upon written notice by either Party to the other, be finally settled by arbitration administered under the rules then pertaining of the Arbitrators Association of British Columbia ("**AABC**").
- (b) The arbitration shall be heard by a panel of three (3) independent and impartial arbitrators all of whom shall be selected from a list of neutral arbitrators having mining and/or precious metals expertise, supplied by AABC. From such list, each Party shall select one (1) arbitrator, and the arbitrators so selected shall select a third. The panel shall designate one (1) among them to serve as chair.

- (c) The arbitration proceedings shall be conducted in the City of Vancouver, British Columbia.
- (d) Any Party may seek interim or provisional remedies as necessary to protect the rights or Properties of the Party pending the decision of the arbitrators.
- (e) 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.
- (f) 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.
- (g) The arbitration award shall be rendered by the arbitrators within fifteen (15) 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.
- (h) 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.
- (i) 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 5 GENERAL**

### **5.1 Records**

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. Within 180 days following the end of each calendar year, Grantor shall provide Vendor Members and Cortus, if applicable, with an annual report of Products mined, milled or processed, recoveries, grades, and capital and development expenses with respect to the Properties during such calendar year. Grantor shall provide Vendor Members and Cortus, if applicable, with a copy of any "life of mine plan", if produced, within 30 days of its approval by Intermont 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.

### **5.2 Rights Reserved by Cortus**

Cortus shall, as a member of Grantor (or as beneficial owner of the Properties), be entitled to (a) make all operational decisions with respect to the methods and extent of mining and processing of Products produced from the Properties (including the decision to process by heap leaching rather 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.

Cortus may, but shall not be under any duty to, cause Grantor to engage in price protection (hedging) or speculative transactions such as futures contracts and commodity options in its sole discretion covering all or part of production from the Properties, and, except in the case where Products are actually delivered and a sale is actually consummated under such price protection or speculative transactions, none of the revenues, costs, profits or losses from such transactions shall be taken into account in calculating Net Smelter Returns or any interest therein.

### 5.3 Right to Inspect

The Vendor Members or their authorized representative on not less than thirty (30) days' notice to the Grantor, timing to be mutually agreed upon by the Vendor Members and the Grantor, acting reasonably, may, at its own risk and cost, enter upon all surface and subsurface portions of the Properties for the purpose of inspecting the Properties, all improvements thereto and operations thereon once per calendar year or as may be reasonably required by the Vendor Members in connection with a proposed sale of their interests in the Properties.

### 5.4 Headings

The headings to the Articles 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.

### 5.5 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 Cortus : 10545-45 Avenue NW, 250 Southridge, Suite 300,  
Edmonton, Alberta, T6H 4M9

Attention: Sean Mager  
Email: [seanm@metalsgroup.com](mailto:seanm@metalsgroup.com)

If to Grantor: 1200 - 750 West Pender Street,  
Vancouver, British Columbia, V6C 2T8

Attention: Maury C. Newton.  
Email: [redacted: personal email]

If to Vendor Members: [redacted: personal address]

Attention: Maury C. Newton.  
Email: [redacted: personal email]

- (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.

### 5.6 Real Property Interest

The Net Smelter Return Royalty, including the Buy-Back Royalties, provided in this Royalty Agreement shall attach to (i) any amendments, relocations, adjustments, resurvey, additional locations or conversions of any mining claims comprising the Properties; and (ii) to any renewal, amendment or other modification or extensions of any leases of any real property interests comprising the Properties. The Net Smelter Returns Royalty shall continue in perpetuity, it being the intent of the Parties hereto that the Net Smelter Return Royalty shall be a real property interest that runs with the Properties and shall burden all interests (whether now owned or hereafter acquired) of Intermont and its successors and assigns in, to or respecting the Properties. 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 date of this Royalty Agreement. Vendor Members shall have the right from time to time to register or record notice of the Net Smelter Returns Royalty against title to the Properties 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 Vendor Members hereunder.

### 5.7 Area of Interest

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

### 5.8 Confidentiality

- (a) Except as provided in Section 5.8(b), all information and data provided to Vendor Members under the terms of this Royalty Agreement shall not be disclosed by Vendor Members 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 5.8(a) shall not apply to a disclosure:
  - (i) by Vendor Members 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 Vendor Members 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;

provided however, that the Vendor Members must disclose to the Grantor and Cortus the recipient of such disclosures and provide a copy of the disclosures made within five business days thereof

- (c) Prior to any disclosure described in Subsections 5.8(b)(i) or (ii) above, 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 5.8.

## 5.9 Public Reporting

If Vendor Members wish to make disclosure as contemplated in Subsection 5.8(b)(iii), then without limiting the provisions in Sections 5.1 and 5.2, the Grantor shall provide to Vendor Members in a timely fashion all such assistance and cooperation as Intermont may reasonably request, at Vendor Members' 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 Vendor Members including without limitation provision of technical reports by qualified persons addressed to the Grantor and certificates and consents and access to data, documents and the Properties.

## 5.10 Commingling

Upon the making of a positive production decision, the Properties may be operated as a single operation with other mining properties owned by third parties or in which Intermont has an interest, in which event, the Parties agree that (notwithstanding separate ownership thereof) ores mined from the mining properties (including the Properties) 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 1.4(a) to (d) 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.

## 5.11 Covenant of the Grantor

The Grantor covenants to take any actions reasonably requested by Vendor Members in order to facilitate the proper recording of this Royalty Agreement.

## 5.12 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.

#### 5.13 **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 and the federal laws of Canada applicable therein.

#### 5.14 **Assignment by Intermont**

Grantor shall be free to cause Intermont to Transfer all or any portion of its interest in the Properties, provided that such Transfer shall not be effective as against Vendor Members until the transferee has delivered to Vendor Members 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 5.14, Vendor Members acknowledge and agree that the Grantor and Intermont shall be released from all obligations in respect of that portion of the Net Smelter Returns Royalty conveyed or assigned to such third party.

#### 5.15 **Assignment by Cortus or Vendor Members**

Vendor Members and Cortus shall be free to Transfer all or any portion of its interest in the Net Smelter Returns Royalty, including the Buy-Back Royalties, and this Royalty Agreement, provided that such transferee acknowledges in writing to Cortus that the relevant Net Smelter Returns Royalty is subject to the buy back rights set out in Sections 2.6 and that it assumes the obligations in respect of the same.

#### 5.16 **Enurement**

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

#### 5.17 **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.

EXECUTION PAGE FOLLOWS

**IN WITNESS WHEREOF** Grantor has executed this Royalty Agreement and the same has been accepted by Cortus and the Vendor Members on \_\_\_\_, 2020.

**CORTUS METALS INC.**

**By:** \_\_\_\_\_  
Authorized Signatory

**1205919 B.C. LTD**

**By:** \_\_\_\_\_  
Authorized Signatory

**INTERMONT RESOURCES LLC.**

\_\_\_\_\_  
Authorized Signatory

**ATTACHMENT 1-A**

**THE PROPERTIES**

**[to be populated with Schedule "A" above when executed]**

**ATTACHMENT 1-B**  
**AREA OF INTEREST**

**ATTACHMENT 1-C**

**THE VENDOR MEMBERS**

<b>Member</b>	<b>Address</b>	<b>Percentage of Membership Interest</b>
Maury Claiborne Newton, III	[redacted: personal addresses]	53%
Dennis Moore	[redacted: personal addresses]	40%
Amed Gomez	[redacted: personal addresses]	3%
Geoffrey K. Blake	[redacted: personal addresses]	2%
Richard M. Newton Jr.	[redacted: personal addresses]	1%
Richard M. Newton Sr.	[redacted: personal addresses]	1%

## **SCHEDULE "C"**

### **SUMMARY**

[REDACTED: List of Registered and Unregistered Claims, for competitive purposes]

**SCHEDULE "D"**

**OPERATING AGREEMENT**

**(see attached commencing on the following page)**

EXECUTION VERSION

LIMITED LIABILITY COMPANY OPERATING AGREEMENT OF  
INTERMONT RESOURCES LLC

May 27, 2020

INTERMONT RESOURCES LLC

LIMITED LIABILITY COMPANY OPERATING AGREEMENT

THIS LIMITED LIABILITY COMPANY OPERATING AGREEMENT of Intermont Resources LLC, a Wyoming limited liability company (the “Company”), dated as of May 27, 2020 (the “Agreement Date”), is by and among the Company and the Members (as defined below).

INTRODUCTION

WHEREAS, the Company was formed as a limited liability company by the filing on May 9, 2014 (the “Filing Date”) of a Certificate of Organization in the Office of the Secretary of State of the State of Wyoming (such Certificate of Organization, as amended from time to time, the “Certificate”);

WHEREAS, Cortus (as defined below), the Company and the Members have entered into the Option Agreement and wish to memorialize their respective rights and entitlements during the Option Period; and

WHEREAS, the Members desire to enter into this limited liability company operating agreement to set out certain of their respective rights, obligations and duties with respect to the Company and its business, management and operations.

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

**ARTICLE I.**

**Definitions**

The following capitalized terms used in this Agreement shall have the respective meanings ascribed to them below:

“Affiliate” means, with respect to any specified Person, any Person that directly or indirectly controls, is controlled by, or is under common control with such specified Person (and, in the case of any specified Person that is not an individual, shall include any general partner, managing member, officer or Manager of such specified Person or any investment fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such specified Person). For purposes of this definition, “control” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Agreement” means this limited liability company operating agreement as it may be amended, supplemented and/or restated from time to time, in accordance with the terms hereof.

“Agreement Date” has the meaning set forth in the first paragraph of this Agreement.

“Approved Budget” has the meaning set forth in Section VI.01.

“Arbitrator” has the meaning set forth in Section VI.01.

“Business Day” means any day that is not a Saturday, a Sunday or a day on which banks are required or permitted to be closed in the State of Nevada.

“Capital Account” means a separate account maintained for each Member and adjusted in accordance with Treasury Regulations under Section 704 of the Code. To the extent consistent with such Treasury Regulations, the adjustments to such accounts shall include the following:

(i) There shall be credited to each Member’s Capital Account the amount of any cash (which shall not include imputed or actual interest on any deferred contributions) actually contributed by such Member to the capital of the Company, the fair market value, as determined in accordance with the terms of this Agreement (without regard to Code Section 7701(g)) of any property or other contributions (net of liabilities the Company is considered to assume or take subject to) contributed by such Member to the capital of the Company, and such Member’s share of the Net Profits of the Company and of any items in the nature of income or gain separately allocated to the Members.

(ii) There shall be charged against each Member’s Capital Account the amount of all cash distributions to such Member, the fair market value as determined in accordance with the terms of this Agreement (without regard to Code Section 7701(g)) of any property distributed to such Member by the Company (net of liabilities that such Member is considered to assume or take subject to) and such Member’s share of the Net Losses of the Company and of any items in the nature of losses or deductions separately allocated to the Members.

(iii) In the event any interest in the Company is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

“Carrying Value” means, with respect to any asset, the asset’s adjusted basis for federal income tax purposes; provided, that (i) the initial Carrying Value of any asset contributed to the Company shall be adjusted to equal its gross fair market value (without regard to Code Section 7701(g)) at the time of its contribution, (ii) the Carrying Values of all assets held by the Company shall be adjusted to equal their respective gross fair market values (taking Code Section 7701(g) into account) upon an election by the Company to revalue its property in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(f) or 1.704-1(b)(2)(iv)(s) or at such other times as may be allowed or required under applicable Treasury Regulations, and (iii) the Carrying Value of any asset distributed in-kind shall be adjusted to equal its fair market value (taking Code Section 7701(g) into account) immediately prior to such distribution. The Carrying Value of any asset that has a Carrying Value different than its adjusted tax basis for federal income tax purposes shall be adjusted in accordance with the provisions of Treasury Regulation Section 1.704-1(b)(2)(iv)(g).

“Certificate” has the meaning set forth in the first introductory paragraph of this Agreement.

“Closing Cash” shall mean the cash transferred by Cortus to the Company pursuant to Section 2.02(a) of the Purchase Agreement.

“Code” means the Internal Revenue Code of 1986, as amended from time to time.

“Company” has the meaning set forth in the first paragraph of this Agreement.

“Cortus” means Cortus Metals Inc., a company incorporated under the laws of the Province of British Columbia and having its head office at 10545-45 Avenue NW, 250 Southridge, Suite 300, Edmonton, Alberta, T6H 4M9.

“Encumbrance” means any mortgage, charge, deed of trust, security interest, pledge, lien (statutory or otherwise), charge, hypothecation, assignment, title retention arrangement, restrictive covenant, condition, royalty or other burden of any nature whether imposed by contract or operation of law.

“Filing Date” has the meaning set forth in the first introductory paragraph of this Agreement.

“Imputed Underpayment” has the meaning set forth in Section VII.05.

“Incapacity” means the written order of a court of competent jurisdiction that the individual is under a legal disability or is unable to give prompt and intelligent consideration to financial matters by reason of illness or mental or physical disability.

“Indemnified Person” has the meaning set forth in Section VI.05.

“Intermont” means Intermont Resources LLC.

“Intermont Claims” means all of the Mineral Rights held by Intermont as of the date of this Agreement, other than the Properties and Option Properties, all as set forth in Schedule “C” in the Purchase Agreement.

“Manager” means Maury Claiborne Newton, III.

“Mediator” has the meaning set forth in Section VI.01.

“Member” shall refer severally to any Person named as a Member on the Schedule of Members and any Person who becomes an additional, substitute or replacement Member as permitted by this Agreement, in such Person’s capacity as a Member of the Company. “Members” shall refer collectively to all such Persons in their capacities as Members.

“Membership Interest” means an ownership interest in the Company entitling the holder of such Membership Interest to the rights and benefits provided in this Agreement and obligating such holder to comply with the terms and conditions of this Agreement.

“Mineral Rights” has the meaning set forth in the Purchase Agreement.

“Net Profits” and “Net Losses” mean the taxable income or loss, as the case may be, for a period as determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss) computed with the following adjustments:

(i) Items of gain, loss, and deduction (including depreciation, amortization or other cost recovery deductions) shall be computed based upon the Carrying Values of the Company’s assets (in accordance with Treasury Regulation Sections 1.704-1(b)(2)(iv)(g) and/or 1.704-3(d)) rather than upon the assets’ adjusted bases for federal income tax purposes;

(ii) Any tax-exempt income received by the Company shall be included as an item of gross income;

(iii) The amount of any adjustment to the Carrying Value of any Company asset pursuant to Section 734(b) or Section 743(b) of the Code that is required to be reflected in the Capital Accounts of the Members pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m) shall be treated as an item of gain (if the adjustment is positive) or loss (if the adjustment is negative), and only such amount of the adjustment shall thereafter be taken into account in computing items of income and deduction;

(iv) Any expenditure of the Company described in Code Section 705(a)(2)(B) (including any expenditures treated as being described in Section 705(a)(2)(B) pursuant to Treasury Regulations under Code Section 704(b)) shall be treated as a deductible expense;

(v) The amount of items of income, gain, loss or deduction specially allocated to any Members pursuant to Section V.02 shall not be included in the computation; and

(vi) The amount of any unrealized gain or unrealized loss with respect to the assets of the Company that is reflected in an adjustment to the Carrying Value of the Company’s assets pursuant to clause (ii) or (iii) of the definition of “Carrying Value” shall be included in the computation as items of income or loss, respectively.

“Option Agreement” means the agreement dated as of May 27, 2020, among Cortus, the Company and the Members pursuant to which the Members have collectively granted to Cortus the sole and exclusive option to acquire all of the outstanding securities of the Company for consideration not exceeding 6,000,000 common shares in the capital of Cortus to the terms and subject to the conditions set forth in such agreement.

“Option Period” has the meaning as such term is defined in the Option Agreement but in any event shall terminate upon the termination of the Option Agreement.

“Option Property” means an Intermont Claim, following Cortus’ valid exercise of its Option (as defined in the Purchase Agreement) with respect to such Intermont Claim pursuant to Article 4 of the Purchase Agreement.

“Payment Shares” means an aggregate of 1,000,000 common shares in the capital of Cortus, to be issued to the Company as a portion of the consideration payable pursuant to the Purchase Agreement.

“Permitted Encumbrances” has the meaning set forth in the Purchase Agreement.

“Permitted Transfer” means any Transfer to a Permitted Transferee.

“Permitted Transferee” means any Affiliate of the transferring Member, any other Member or any Affiliate of any other Member.

“Person” means any individual, general partnership, limited partnership, limited liability partnership, limited liability company, corporation (including a non-profit corporation), joint venture, trust, business trust, cooperative or association and the heirs, executors, administrators, legal representatives, successors and assigns of such Person where the context so permits.

“Property” means certain mineral claims located in Nevada commonly known as the Grayson Properties (the claims listed in section 1 of Schedule “A” of the Purchase Agreement) and Powerline Properties (the claims listed in section 2 of Schedule “A” of the Purchase Agreement).

“Property Shares” means 200,000 common shares in the capital of Cortus, to be issued to the Company with respect to each Intermont Claim that Cortus exercises its Option (as defined in the Purchase Agreement).

“Purchase Agreement” means that certain Mineral Property Purchase Agreement entered into between the Company and Cortus on May 27, 2020.

“Representatives” has the meaning set forth in Section VII.01.

“Schedule of Members” means the Schedule of Members of the Company as maintained by the Company and set forth on Schedule A.

“Technical Information” has the meaning as such term is defined in the Purchase Agreement.

“Transfer” and any grammatical variation thereof shall refer to any direct or indirect, sale, exchange, assignment, distribution, or other disposition (whether voluntarily, involuntarily or by operation of law) of any interest in the Company. A “Transfer” shall specifically, without limitation of the above, include any assignment or distribution resulting from death, Incapacity, incompetency, bankruptcy, liquidation or dissolution.

“Treasury Regulations” has the meaning set forth in Section V.02.

“Units” has the meaning set forth in Section III.03.

“Withholding Payment” has the meaning set forth in Section V.05.

## ARTICLE II.

### General

II.01. Name of the Limited Liability Company. The name of the Company is Intermont Resources LLC. The name of the Company may be changed at any time or from time to time by the Company, with the consent of the Manager.

II.02. Office of the Limited Liability Company; Agent for Service of Process. The Company's registered office in Wyoming is WyomingRegisteredAgent.com, Inc. The name and address of the registered agent for service of process of the Company in Wyoming is WyomingRegisteredAgent.com, Inc., 1621 Central Ave., Cheyenne, Wyoming 82001. The principal place of business of the Company shall be 1110 Lay St., Winnemucca, NV 89445. The Company may, with the approval of the Manager, change its principal place of business, or establish additional places of business of the Company, appoint agents for service of process in any jurisdiction and change from time to time its resident agent for service of process or the location of its registered office in Wyoming.

II.03. Organization and Continuation. The Company was organized on the Filing Date and shall continue in perpetuity unless terminated in accordance with ARTICLE IX.

II.04. Purposes and Powers. The Company may engage in any business or activity in which a limited liability company organized under the laws of the State of Wyoming may lawfully engage and shall have and exercise all of the powers and rights conferred upon limited liability companies formed in Wyoming (including the borrowing of money and the issuance of guarantees of indebtedness of other Persons).

II.05. Members. The name, the Capital Account balance as of the Agreement Date and the business address of each Member are set forth on the Schedule of Members, which shall be maintained and updated by the Company. Subject to the other provisions of this Agreement, additional or substituted Members may be admitted to the Company only with the approval of the Manager and, during the Option Period, Cortus (such Cortus approval not to be unreasonably withheld, conditioned or delayed). For clarity, no approval is required for additional or substituted Members admitted that are Permitted Transferees. Except as provided in this Agreement, no Member shall have any right or power to resign from the Company (except that a Member that no longer holds any Membership Interests shall thereby cease to be a Member), and no Member shall be entitled to receive any distribution from the Company upon or by reason of any purported resignation from the Company. Any additional Member admitted to the Company shall agree to be bound by the terms and conditions of this Agreement by executing a joinder or counterpart signature page to this Agreement.

II.06. Withdrawal. A Person shall cease to serve as a Member upon his death, dissolution, bankruptcy, or a ruling by a court of competent jurisdiction that he is incompetent. A Member may voluntarily withdraw from such position and cease to vote or take part in the management and control of the Company at any time upon notice to all of the Members. For the avoidance of

doubt, Cortus is not a Member of the Company and, upon the expiration of the Option Period, shall cease to have any rights or obligations with respect to the Company or any Member or otherwise under this Agreement.

II.07. Limitation on Liability. The debts, obligations, and liabilities of the Company, whether arising in contract, tort, or otherwise, shall be solely the debts, obligations, and liabilities of the Company, and no Member, Manager, or officer of the Company shall be obligated personally for any such debt, obligation, or liability of the Company solely by reason of being a Member, Manager, and/or officer; provided however, that each Member shall be liable for any debts, liabilities, contracts or other obligations of the Company incurred or agreed to by such Member without authorization and in violation of this Agreement.

### **ARTICLE III.**

#### **Capital Accounts; Capital Contributions**

III.01. Capital Accounts. For each Member (and each permitted assignee), the Company shall maintain a separate Capital Account. The Capital Account of each Member as of the Agreement Date is set forth on the Schedule of Members.

III.02. Capital Contributions.

(a) As of the Agreement Date, the Members have contributed capital to the Company as set forth in the books and records of the Company.

(b) Except as otherwise provided in this ARTICLE III, no Member shall be obligated or permitted to contribute any additional capital without the consent of such Member and the approval of the Manager and, during the Option Period, Cortus (such Cortus approval not to be unreasonably withheld, conditioned or delayed). No interest shall accrue on any contributions to the capital of the Company, and no Member shall have the right to withdraw or to be repaid any capital contributed by it or to receive any other payment in respect of its interest in the Company, except as specifically provided in this Agreement.

III.03. Ownership and Issuance of Units. As of the Agreement Date, the total number of units (the “Units”) that the Company shall have authority to issue is 100 Units. The aggregate number of Units outstanding from time to time is set forth in Schedule of Members attached hereto, as the same may be updated or amended from time to time in accordance with this Agreement.

### **ARTICLE IV.**

#### **Distributions**

IV.01. Distributions in General. Except as provided in Section IX.03(b), cash and property of the Company shall be distributed to the Members, at such times and in such aggregate amounts, in the manner set forth in this ARTICLE IV.

IV.02. Distributions. All distributions shall be made to the Members pro rata in accordance with the Units, at the time and in the amount determined by the Manager and, during

the Option Period, Cortus (such Cortus approval not to be unreasonably withheld, conditioned or delayed). However, Cortus shall not have any approval or veto rights with respect to distributions of Payment Shares or Property Shares.

## **ARTICLE V.**

### **Allocation of Net Profits and Net Losses**

V.01. Basic Allocations. Except as otherwise provided in this Agreement and subject to Section V.02 below, Profits, Losses and, to the extent necessary, individual items of income, gain, loss or deduction of the Company shall be allocated among the Members in a manner that gives economic effect to ARTICLE IV, ARTICLE IX and other relevant provisions of this Agreement. In particular, after taking into account regulatory allocations pursuant to Section V.02 (Regulatory Allocation Provisions) and subject to any limitations contained therein, any items of income, gain, loss or deduction, of the Company shall be allocated among the Members in a manner such that the Capital Account of each Member, immediately after making such allocation, is, as nearly as possible, equal to the aggregate amount of distributions that would be made to such Member if the Company were dissolved, its affairs wound up and its assets sold for cash equal to their Carrying Value, all Company liabilities were satisfied (limited with respect to each nonrecourse liability to the Carrying Value of the assets securing such liability), and the net assets of the Company were distributed to the Members and any assets were contributed to the Company by the Members in accordance with the terms of this Agreement immediately after making the allocation. The Manager shall make such other assumptions and adjustments as it deems necessary or appropriate in its good faith and reasonable judgment in order to effectuate the intended beneficial entitlements of the Members

V.02. Regulatory Allocations. Notwithstanding the provisions of Section V.01 above, profits, losses and items thereof shall be allocated to the Members in the manner and to the extent required by the Treasury Regulations under Section 704(b) of the Code. The Members shall exercise the utmost good faith in cooperating to amend this Agreement to effect the changes, if any, recommended by the professional tax advisers of the Company to cause compliance with Code Section 704(b) and the Income Tax Regulations promulgated under the Code, as such Income Tax Regulations may be amended (including corresponding provisions of succeeding regulations) (the “Treasury Regulations”). Income, gain, loss and deductions shall be allocated for income tax purposes generally in the manner in which the corresponding profit and loss is credited and debited to the Capital Account of the Members using any method permitted by the Treasury Regulations.

#### V.03. Tax Allocations.

(a) Except as otherwise provided herein or as required by Code Section 704, for federal, state and local tax purposes, all items of income, gain, loss, deduction or credit shall be allocated to the Members in the same manner as are Net Profits and Net Losses; provided, that if the Carrying Value of any property of the Company differs from its adjusted basis for tax purposes, then items of income, gain, loss, deduction or credit related to such property for tax purposes shall be allocated among the Members so as to take account of the variation between the adjusted basis of the property for tax purposes and its Carrying Value in any manner provided for

under Code Section 704(c) and the Treasury Regulations issued thereunder as determined by the Manager in its discretion.

(b) The indebtedness of the Company shall be allocated among the Members under Code Section 752 as determined by the Manager in accordance with Code Section 752.

V.04. Allocations Upon Transfer or Admission. In the event that a Member acquires an interest in the Company either by Transfer from another Member or by acquisition from the Company, the Net Profits, Net Losses, gross income, nonrecourse deductions and items thereof attributable to the interest so transferred or acquired shall be allocated among the Members based on a method chosen by the Manager, in its discretion, which method shall comply with Section 706 of the Code and shall be binding on all Members. For purposes of determining the date on which the Transfer or acquisition occurs, the Company may make use of any convention allowable under Section 706(d) of the Code.

V.05. Withholding and Taxes. Notwithstanding anything to the contrary herein, to the extent the Manager reasonably determines that the Company is required or elects pursuant to applicable law, either (a) to pay tax (including estimated tax) on a Member's allocable share of the Company's items of income or gain, whether or not distributed, or (b) to withhold and pay over to the tax authorities any portion of a distribution otherwise distributable to a Member, the Company may pay over such tax or such withheld amount (in each case, a "Withholding Payment") to the tax authorities, and such amount shall be treated, in the discretion of the Manager, as (i) a distribution to such Member at the time it is paid to the tax authorities (which distributions shall reduce the amount of distributions to which the Member would otherwise be entitled), or (ii) a demand loan to such Member, on such reasonable terms as the Manager shall determine to be appropriate (which terms shall include the payment of interest by the Member on such loan). Repayment of any such demand loan by the Member will not be considered a capital contribution for purposes of this Agreement. Taxes withheld on amounts directly or indirectly payable to the Company and taxes otherwise paid by the Company (other than in the case where the amount of taxes paid by the Company is treated as a demand loan to the Member) shall be treated for purposes of this Agreement as distributed to the appropriate Members and paid by the appropriate Members to the relevant taxing jurisdiction.

## ARTICLE VI.

### Management

#### VI.01. General.

(a) General. Except as otherwise provided in this ARTICLE VI, including but not limited to the management of the Properties and Intermont Claims provided in Section VI.04, management and control of the Company shall be vested in the Manager; provided, however, the Manager may delegate the administration of daily business and affairs of the Company to officers or employees of the Company, including but not limited to any of the Members.

(b) Budget. During the Option Period, the Manager shall provide a quarterly budget to the Company and Cortus with adequate time for Cortus to approve such budget. Upon

approval by Cortus (the “Approved Budget”), the Company may use the Closing Cash, and additional cash advanced by Cortus to the Company, in accordance with the Approved Budget. During the Option Period, in the event of a liquidation, dissolution or other event causing the Company to cease operations, the Company shall return any remaining cash to Cortus which was originally contributed by Cortus.

(c) Mediation. Should the Members come to a deadlock as to any particular question or series of decisions with that fundamentally affect the Company or have the potential to materially affect the business and affairs of the Company, for which each Member’s proposed course of action would be reasonable under the prevailing circumstances, and neither proposed course of action is adopted by the Company according to the provisions in this ARTICLE VI, any such Member may give notice to the others requesting mediation or arbitration to resolve the deadlock. Following such notice being given, the Members will agree on the appointment of a qualified, impartial and experienced individual (the “Mediator”) to serve as a mediator in connection with the disagreement. Alternatively, the Members will agree on the appointment of a qualified, impartial and experienced individual (the “Arbitrator”) to arbitrate the matter. Should the Members be unable to agree on the appointment of a mutually acceptable Mediator or Arbitrator within 14 days of the notice referred to above, they agree to refer the matter of the appointment of a Mediator to a court in the state of Nevada.

VI.02. Certain Restrictions on Company Action. Notwithstanding anything contained in this Agreement to the contrary, without the prior approval of the Manager and, during the Option Period, Cortus (such Cortus approval not to be unreasonably withheld, conditioned or delayed), the Company may not:

(a) authorize the withdrawal of any Member of the Company;

(b) except as provided in Section VI.04, take any action effecting a sale of all or part of the Company or a merger, consolidation, reorganization, or other business combination, a recapitalization, dissolution, liquidation of assets, filing for bankruptcy, insolvency or other process for relief as a debtor, commencement of an assignment for the benefit of creditors, in each case with respect to the Company or a sale, exclusive license or lease of all or substantially all of the assets of or Membership Interests in the Company; or

(c) amend ARTICLE IV, this ARTICLE VI, or ARTICLE IX of this Agreement.

VI.03. Officers. The Manager may designate one or more individuals to serve as officers of the Company. The Company shall have such officers as the Manager may from time to time determine, which officers may include a CEO, a Secretary, and a Treasurer. Any two or more offices may be held by the same person.

VI.04. Management of Properties.

(a) General. The Company shall: (i) keep the Intermont Claims in good standing and free and clear of all Encumbrances, other than Permitted Encumbrances; (ii) pay all necessary taxes, rentals and maintenance fees on the Properties and the Intermont Claims; and (iii)

during the Option Period, provide Cortus with access to the Technical Information and any notices and correspondence that it receives in respect of the Properties.

(b) Properties. The Manager agrees to cooperate with Cortus and follow Cortus' instructions and decisions regarding the Properties and Option Properties, including, to the extent Cortus so determines, causing the Company to transfer title and beneficial ownership of any of the Properties or Option Properties to Cortus, any Affiliate of Cortus, or any other Person designated by Cortus.

(c) Intermont Claims: General. Except as specifically provided in the Purchase Agreement, the Manager shall have the management rights for the day-to-day management of the Intermont Claims. During the Option Period, Cortus shall provide funding to the Company for the amounts necessary to pay all taxes, rentals and maintenance fees as they become due for such Intermont Claims as the Manager and Cortus jointly decide to include as part of their ongoing tenure management strategy. The Company shall provide Cortus with confirmation that all such taxes, rentals and maintenance fees on the Intermont Claims have been paid as the Company pays such amounts (following and subject to Cortus' provision to the Company of the funding therefor).

#### VI.05. Standard of Care; Indemnification of Manager, Officers, Employees and Agents.

(a) No Manager or officer of the Company shall have any personal liability whatsoever to the Company or any Member on account of such Manager's or officer's status as a Manager or officer or by reason of such director's or officer's acts or omissions in connection with the conduct of the business of the Company; provided, however, that nothing contained herein shall protect any director or officer against any liability to the Company or the Member to which such director or officer would otherwise be subject by reason of (i) any act or omission of such director or officer that involves actual fraud or willful misconduct or (ii) any transaction from which such director or officer derived improper personal benefit.

(b) The Company shall indemnify and hold harmless each Manager and officer and the Affiliates of any Manager or officer (each an "Indemnified Person") to the fullest extent permitted by law against any and all losses, claims, damages, expenses, and liabilities (including, but not limited to, any investigation, legal and other reasonable expenses incurred in connection with, and any amounts paid in settlement of, any action, suit, proceeding, or claim) of any kind or nature whatsoever that such Indemnified Person may at any time become subject to or liable for by reason of the formation, operation, or termination of the Company, or the Indemnified Person's acting as a Manager or officer under this Agreement, or the authorized actions of such Indemnified Person in connection with the conduct of the affairs of the Company (including, without limitation, indemnification against negligence, gross negligence, or breach of duty); provided, however, that no Indemnified Person shall be entitled to indemnification if and to the extent that the liability otherwise to be indemnified for results from (i) any act or omission of such Indemnified Person that involves actual fraud or willful misconduct or (ii) any transaction from which such Indemnified Person derived improper personal benefit. The indemnities hereunder shall survive termination of the Company. Each Indemnified Person shall have a claim against the property and assets of the Company for payment of any indemnity amounts from time to time due hereunder, which amounts shall be paid or properly reserved for prior to the making of distributions by the Company to the Member. Costs and expenses that are subject to indemnification hereunder shall,

at the request of any Indemnified Person, be advanced by the Company to or on behalf of such Indemnified Person prior to final resolution of a matter, so long as such Indemnified Person shall have provided the Company with a written undertaking to reimburse the Company for all amounts so advanced if it is ultimately determined that the Indemnified Person is not entitled to indemnification hereunder.

(c) The contract rights to indemnification and to the advancement of expenses conferred in this Section VI.05 shall not be exclusive of any other right that any person may have or hereafter acquire under any statute, agreement, vote or otherwise.

(d) The Company may maintain insurance, at its expense, to protect itself and any Manager, officer, employee, or agent of the Company or another limited liability company, corporation, partnership, joint venture, trust, or other enterprise against any expense, liability, or loss, whether or not the Company would have the power to indemnify such Person against such expense, liability, or loss.

(e) The Company may, to the extent authorized from time to time by the Member, grant rights to indemnification and to advancement of expenses to any employee or agent of the Company to the fullest extent of the provisions of this Section VI.05 with respect to the indemnification and advancement of expenses of Managers and officers of the Company

## **ARTICLE VII.**

### **Fiscal and Tax Matters**

VII.01. Books and Records; Confidentiality. During the Option Period, the Manager shall provide Cortus with the right of access to any of the books or records of the Company or to receive any information about the business, affairs, properties or ownership of the Company that is commercially reasonable. Each Member shall hold all information of, or received from or on behalf of, the Company (or its business, affairs, properties or ownership, including any information of customers, vendors and other business counterparties of the Company) in confidence, shall not disclose any such information to any other Person, and shall use such information solely for the purpose of monitoring such Member's interest in the Company, except in each case for disclosures (i) to such Member's attorneys, accountants and other professional advisors (collectively, "Representatives") bound by obligations of confidentiality, (ii) of information which has become public without any breach of confidentiality by such Member or its Representatives or (iii) of information disclosed to such Member by another Person who obtained it without any breach of a confidentiality, fiduciary or similar duty.

VII.02. Tax Reports. As soon as reasonably practicable after the end of each taxable year, the Company shall furnish all Members with Schedules K-1 and such other information as may be needed to enable the Members to file their federal income tax returns and any required state income tax returns for such taxable year. The Company shall prepare and furnish to the Members such financial and other reports regarding the Company's activities as the Manager determines to be appropriate. The cost of all such reporting shall be paid by the Company as a Company expense.

VII.03. Accounting Methods; Tax Elections. The Manager shall determine the accounting methods and conventions to be used in the preparation of the Company's tax returns and shall make or cause to be made, and is hereby empowered to cause the Company to make, any and all elections under the tax laws of the United States and any other relevant jurisdictions as to the treatment of items of income, gain, loss, deduction and credit of the Company, or any other method or procedure related to the preparation of the Company's tax returns. The Members shall cooperate to provide the Company with all information necessary for compliance with any such election or otherwise in connection with applicable tax laws, including providing information in connection with Code Section 743.

VII.04. Fiscal Year. The fiscal year of the Company shall end on December 31 of each year. The taxable year of the Company shall be the same as its fiscal year except as otherwise required by applicable law.

VII.05. Partnership Representative.

(a) The Manager shall be the Company's "partnership representative" within the meaning of Section 6223 of the Code and, if applicable, shall designate the "designated individual" within the meaning of Treasury Regulation Section 301.6223-1 through whom the partnership representative shall act. The partnership representative shall have sole authority to act on behalf of the Company for purposes of subchapter C of Chapter 63 of the Code and any comparable provisions of state or local income tax laws and shall serve as the Company's partnership representative until his, her or its resignation or until the designation of his, her or its successor, whichever occurs sooner.

(b) To the extent that, as a result of a determination by a taxing authority or adjudicative body, there is any adjustment for the purposes of any tax law to any items of income, gain, loss, deduction or credit of the Company for any taxable period, the Company will use commercially reasonable efforts to cause the financial burden of any "imputed underpayment" (as determined under Section 6225 of the Code) and associated interest, adjustments to tax and penalties (an "Imputed Underpayment") arising from a partnership-level adjustment that are imposed on the Company to be borne by the Members and former Members to whom such Imputed Underpayment relates as determined by the partnership representative after consulting with the Company's accountants or other advisors, taking into account any differences in the amount of taxes attributable to each Member because of such Member's status, nationality or other characteristics. The portion of any Imputed Underpayment attributed to a former Member shall be treated as a Withholding Payment pursuant to Section V.05 with respect to such former Member. Each Member agrees to indemnify and hold harmless the Company and the partnership representative from and against any and all liability with respect to any Imputed Underpayment required on behalf of, or with respect to, such Member.

(c) The Members agree that, upon the partnership representative's request, they shall provide it with any information regarding their individual tax returns and liabilities that may be relevant under Section 6225(c) of the Code or other state or local rules and file amended tax returns as provided in Section 6225(c) of the Code or the applicable state or local laws, with timely payment of any tax due.

(d) The obligations of this Section VII.05, including a Member's indemnification obligations under Section VII.05(b), shall survive the liquidation and dissolution of the Company and the Transfer, assignment or liquidation of a Member's interest in the Company. If any Member ceases to be a Member, such Member shall keep the Company advised of its contact information until released in writing by the Company from such obligation.

VII.06. Taxation as Partnership. The Company intends to be treated and taxed as a partnership for United States federal, state and local tax purposes and the Members and the Company will make any necessary elections to achieve this result and refrain from making any elections that would have a contrary result. No Member shall knowingly take, or knowingly cause any of its Affiliates to take, any action that is inconsistent with the classification and taxation of the Company as a partnership for United States federal, state and local tax purposes.

## **ARTICLE VIII.**

### **Transfers of Interests and Admission of Additional Members**

#### **VIII.01. General Restrictions on Transfer of Interests by Members.**

(a) The Members shall not Transfer any interest in the Company, other than (i) in a Permitted Transfer or (ii) with the prior written consent of the Manager and, during the Option Period, Cortus. Except as otherwise agreed with the Company, no Member shall directly or indirectly pledge any Membership Interest without the prior written consent of the Manager and, during the Option Period, Cortus.

(b) The Company shall not be required to recognize any Transfer until the instrument conveying the relevant Membership Interest, or interest therein, has been delivered to the Company for recordation on the books of the Company. Unless a Permitted Transferee becomes a Member in accordance with the provisions of this ARTICLE VIII, it shall not be entitled to any of the rights granted to a Member hereunder.

(c) The Company shall be entitled to treat the record owner of any Membership Interest (or interest therein) as the absolute owner thereof in all respects and shall incur no liability for distributions of cash or other property made in good faith to such owner until such time as a written assignment of such Membership Interest (or interest therein) has been received by and accepted by the Manager and recorded on the books of the Company. The Manager may refuse to accept an assignment until the end of the next successive semi-annual accounting period. In no event shall any Membership Interest, or any interest therein, be Transferred to a minor or incompetent, and any such attempted Transfer shall be void and ineffectual and shall not bind the Company or the Members.

(d) If a Member who is an individual dies or a court of competent jurisdiction adjudges him or her to be incompetent to manage his or her person or his or her property, the Member's executor, administrator, guardian, conservator or other legal representative may exercise all of the Member's rights hereunder. If a Member is a corporation, trust or other entity, and is dissolved or terminated, the powers of that Member may be exercised by its legal representative or successor.

(e) Any Transfer of a Membership Interest (or interest therein) in contravention of any of the provisions of this Agreement shall be null and void and ineffective to Transfer any interest in the Company, and shall not bind, or be recognized by or on the books of, the Company, and any purported Permitted Transferee in such transaction shall not be or be treated as or deemed to be a Member (or assignee) for any purpose. In the event any Member shall at any time Transfer any Membership Interest (or any interest therein) in contravention of any of the provisions of this Agreement, then each other Member shall, in addition to all rights and remedies at law and equity, be entitled to a decree or order restraining and enjoining such transaction, and the offending Member shall not plead in defense thereto that there would be an adequate remedy at law; it being expressly hereby acknowledged and agreed that damages at law would be an inadequate remedy for a breach or threatened breach of the provisions of this Agreement concerning such transactions.

(f) In addition to any other provision in this Agreement, a Permitted Transferee of a Membership Interest (or any interest therein) in the Company shall become a Member entitled to all the rights of a Member if, and only if, the Permitted Transferee executes and delivers any applicable instruments, in form and substance satisfactory to the Manager, as may be necessary, appropriate or desirable to effect such substitution and to confirm the agreement of the Permitted Transferee to be bound by the terms and provisions of this Agreement and the aforementioned agreements, if applicable. The Company shall not be required to recognize any Transfer by any Member until the Company has received either a copy of a nonforeign affidavit provided to the transferee by the transferor in accordance with Section 1446(f)(2) of the Code or evidence that any tax required to be deducted and withheld pursuant to Section 1446(f)(1) of the Code has been so deducted and withheld and properly remitted.

## ARTICLE IX.

### **Dissolution; Liquidation; Conversion**

IX.01. Events Causing Dissolution. The Company shall be dissolved and its affairs wound up upon:

- (a) approval of the dissolution of the Company (subject to Section VI.02 of this Agreement) by the Manager and, during the Option Period, Cortus;
- (b) the time at which there are no Members, unless the Company is continued in accordance with applicable law; or
- (c) the entry of a decree of judicial dissolution.

The Company shall not be dissolved upon the death, insanity, retirement, resignation, expulsion, bankruptcy, dissolution or occurrence of any other event which terminates the membership of a Member.

IX.02. Procedures on Dissolution. Dissolution of the Company shall be effective on the day on which occurs the event giving rise to the dissolution, but the Company shall not terminate until the Certificate shall have been cancelled and the assets of the Company shall have been distributed as provided herein. A liquidator appointed with the consent of the Manager and, during

the Option Period, Cortus, shall liquidate the assets of the Company, apply and distribute the proceeds thereof as contemplated by this Agreement and cause the cancellation of the Certificate. If the Manager and, during the Option Period, Cortus are unable to agree on the dissolution of the Company, appointment of a liquidator or any other matter in this ARTICLE IX, the Manager and Cortus shall handle such dispute according to the procedures provided in Section VI.01(c).

#### IX.03. Distributions Upon Liquidation.

(a) After payment of liabilities owing to creditors, the Manager or such liquidator shall set up such reserves as may be required under applicable law or as the Manager or such liquidator otherwise deems reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company. Said reserves may be paid over by the Manager or such liquidator to a bank, to be held in escrow for the purpose of paying any such contingent or unforeseen liabilities or obligations and, at the expiration of such period as may be required by applicable law or as the Manager or such liquidator may otherwise deem advisable, such reserves shall be distributed to the Members or their assigns in the manner set forth in paragraph (b) below.

(b) After paying such liabilities and providing for such reserves, the Manager or liquidator shall cause the remaining net assets of the Company to be distributed to and among the Members in accordance with ARTICLE IV. If any assets of the Company are to be distributed in-kind, such assets shall be distributed on the basis of their fair market value net of any liabilities and may be distributed disproportionately to the Members, subject to the terms of this Agreement.

### **ARTICLE X.**

#### **General Provisions**

X.01. Notices. Any and all notices under this Agreement shall be given in writing, and shall be effective (a) on the fourth Business Day after being sent by registered or certified mail, return receipt requested, postage prepaid, (b) on the first Business Day after being sent by express mail or commercial overnight delivery service providing a receipt for delivery, (c) on the date of hand delivery, or (d) on the date actually received, if sent by any other method. In order to be effective, all such notices shall be addressed, if to the Company, at its principal place of business, and if to a Member or a Manager, at the last address of record on the Company's books.

#### X.02. Interpretation.

(a) The headings of the Sections and Subsections of this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

(b) The words "include," "includes" and "including" when used in this Agreement shall be deemed in each case to be followed by the words "without limitation." The words such as "herein," "hereinafter," "hereof" and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires and references to Article, Section, Schedule, Annex and like references are references to this Agreement unless otherwise specified. The singular shall include the plural and the masculine

gender shall include the feminine and neuter, and vice versa, unless the context otherwise requires. Any use of the word “party” or “parties” means the party or parties hereto, unless the context otherwise requires.

X.03. Binding Provisions. Subject to the restrictions on Transfers set forth herein and any amendments made by the Manager, the covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the parties hereto and their heirs, legal representatives, successors and permitted assigns.

X.04. Governing Law. This Agreement and the legal relations among the parties in connection with this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Wyoming, without regard to its conflict of laws rules.

X.05. Consent to Jurisdiction. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the state courts of Wyoming and to the jurisdiction of the United States District Court for the District of Wyoming for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the state courts of Wyoming or the United States District Court for the District of Wyoming, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

X.06. Counterparts. This Agreement may be executed in several counterparts (which may be delivered by facsimile or other electronic transmission) and as so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all of the parties have not signed the same counterpart.

X.07. Separability of Provisions. Each provision of this Agreement shall be considered separable. To the extent that any provision of this Agreement is prohibited or ineffective under applicable law, this Agreement shall be considered amended to the smallest degree possible in order to make this Agreement effective under applicable law.

X.08. Amendments.

(a) Except as otherwise provided in this Agreement, this Agreement may be modified, supplemented, amended or terminated and the observance of any term hereof may be waived (either retroactively or prospectively) only by a written instrument prepared in accordance with Section VI.02 of this Agreement; provided that the Manager may amend and modify the provisions of this Agreement and the Schedules or other exhibits hereto to the extent necessary to reflect the admission, substitution or removal of any Member and the election, designation, removal, vacancy or resignation of any officer, in each case to the extent permitted under this

Agreement. Any amendment, modification, supplement or waiver so effected shall be binding upon the parties hereto.

(b) Notwithstanding anything herein to the contrary, the Manager may cause the Company to amend or modify ARTICLE V of this Agreement and related defined terms if the Manager is advised at any time by its legal counsel that the allocations of Net Profits and Net Losses and/or similar items provided for in ARTICLE V are unlikely to be respected for federal income tax purposes, either because of the promulgation and adoption of Treasury Regulations under Code Section 704 or other developments in applicable law. In making any such amendment or modification, the Manager shall cause the Company to use its reasonable best efforts to effect as little change in the economic arrangements among the Members as the Manager shall determine in its discretion to be necessary to provide for allocations of Net Profits and Net Losses and similar items to the Members which it believes will be respected for federal income tax purposes. No such amendment or modification shall give rise to any claim or cause of action by any Member.

X.09. Third-Party Beneficiaries. Notwithstanding anything to the contrary herein, the provisions of this Agreement are not intended to be for the benefit of any creditor (other than a Member or a Manager who, in such capacity, is a creditor) or other Person (other than a Member or a Manager in his, her or its capacity as a Member or a Manager) to whom any debts, liabilities or obligations are owed by (or who otherwise has any claim against) the Company or any of the Members. Moreover, notwithstanding anything herein to the contrary (but subject to the following sentence), no such creditor or other Person shall obtain any rights under this Agreement or shall, by reason of this Agreement, make any claim in respect of any debt, liability or obligation (or otherwise) against the Company or any Member or a Manager. Each indemnitee shall be an express third-party beneficiary of this Agreement with respect to his or her rights as an indemnitee.

X.10. Entire Agreement. This Agreement embodies the entire agreement and understanding among the parties hereto with respect to the subject matter hereof and thereof and supersedes all prior agreements and understandings relating to such subject matter. The Members hereby agree that each Member and Manager shall be entitled to rely on the provisions of this Agreement, and no Member or Manager shall be liable to the Company or any other Member or Manager for any action or refusal to act taken in good faith reliance on the terms of this Agreement.

X.11. Waiver of Partition. Each Member agrees that irreparable damage would be done to the Company if any Member brought an action in court to dissolve the Company. Accordingly, each Member agrees that he, she or it shall not, either directly or indirectly, take any action to require partition or, except as provided in this Agreement, appraisal of the Company or of any of the assets or properties of the Company, and notwithstanding anything herein to the contrary, each Member (and his, her or its successors and permitted assigns) accepts the provisions of this Agreement as his, her or its sole entitlement on termination, dissolution and/or liquidation of the Company and hereby irrevocably waives any and all right to maintain any action for partition or, except as provided for in this Agreement, to compel any sale or other liquidation with respect to his, her or its interest, in or with respect to, any assets or properties of the Company.

*[Signature pages follow.]*

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

**COMPANY:**

**INTERMONT RESOURCES LLC**

By: \_\_\_\_\_  
**MAURY CLAIBORNE NEWTON III, MANAGER**

**MEMBERS:**

Signed, sealed and delivered by )  
**MAURY CLAIBORNE NEWTON III** )  
in the presence of: )  
 )  
 )  
\_\_\_\_\_)  
Name of Witness )  
 )  
\_\_\_\_\_)  
Address of Witness )  
 )  
 )  
 )

\_\_\_\_\_  
**MAURY CLAIBORNE NEWTON III**  
**MEMBER**

Signed, sealed and delivered by )  
**MAURY CLAIBORNE NEWTON** )  
**III** in the presence of: )  
 )  
\_\_\_\_\_)  
Name of Witness )  
 )  
\_\_\_\_\_)  
Address of Witness )  
 )  
 )  
 )

\_\_\_\_\_  
**MAURY CLAIBORNE NEWTON III,**  
**REPRESENTATIVE OF MEMBERS**  
**DENNIS MOORE, GEOFFREY L.**  
**BLAKE, RICHARD M. NEWTON, JR.**  
**AND RICHARD M. NEWTON, SR.**

**NON-MEMBERS:**

**CORTUS METALS INC.**

By: \_\_\_\_\_  
**SEAN MAGER, CEO**

**Schedule A**

**Schedule of Members**

Member Name	Units	Capital Account as of Agreement Date
Maury Claiborne Newton, III [reacted: personal address]	53 Units	[Pro Rata amount of Pre-Closing Fair Market Value of Intermont Resources LLC]
Dennis Moore [reacted: personal address]	40 Units	[Pro Rata amount of Pre-Closing Fair Market Value of Intermont Resources LLC]
Amed Gomez [reacted: personal address]	3 Units	[Pro Rata amount of Pre-Closing Fair Market Value of Intermont Resources LLC]
Geoffrey L. Blake [reacted: personal address]	2 Units	[Pro Rata amount of Pre-Closing Fair Market Value of Intermont Resources LLC]
Richard M. Newton, Jr. [reacted: personal address]	1 Unit	[Pro Rata amount of Pre-Closing Fair Market Value of Intermont Resources LLC]
Richard M. Newton, Sr. [reacted: personal address]	1 Unit	[Pro Rata amount of Pre-Closing Fair Market Value of Intermont Resources LLC]
Total	100 Units	[●]