

## AMENDED AND RESTATED GOLD AND SILVER PURCHASE AGREEMENT

**THIS AMENDED AND RESTATED GOLD AND SILVER PURCHASE AGREEMENT** dated as of this 19 day of February, 2023, by and between:

**PPX Mining Corp.** C0974102 a company continued under the laws of the Province of British Columbia, Canada of 82 Richmond Street East, Toronto, Ontario, Canada M5C 1P1 (“**PPX**”)

-and-

**RIVI Opportunity Fund LP**, a limited partnership constituted under the laws of the State of California, USA of 301 Battery Street, 2nd floor, San Francisco, CA 94111 USA (“**RIVI**”)

### WITNESSES THAT:

**WHEREAS** PPX through its subsidiary, Sienna Minerals SAC (“**Sienna**”), is the owner of the Mining Properties;

**AND WHEREAS** PPX and RIVI are parties to that certain gold and silver purchase agreement dated October 10, 2016, as amended on November 21, 2017 (as amended, the “**Original GPA**”);

**AND WHEREAS** under the terms of the Original GPA: (a) PPX has granted the Security; (b) RIVI has advanced the Funding Amount to PPX; and (c) PPX has agreed, among other things, to sell to RIVI and RIVI has agreed to purchase from PPX, an amount of Refined Metals, on and subject to the terms set out herein;

**AND WHEREAS**, for so long as the Contractor (as defined here) is engaged to conduct operations at the Igor 4 Concession, PPX and RIVI desire to amend and restate (without novation) the Original GPA in its entirety as set forth herein in order to: (a) remove provisions in the Original GPA pertaining to the “NSR Royalty” (as such term was defined in the Original GPA); (b) provide for the issuance of the Secured Convertible Debenture in full and final satisfaction of amounts owing under the Original GPA (including in respect of any accrued “NSR Royalty” as defined under the Original GPA); (c) provide for the establishment of the Required Monthly Maximum Amount, Monthly Balance, Stream Account and Net Profit Interest and related concepts as set out herein; and (d), make certain clarifying amendments and corrections of typographical errors, as provided hereby;

**NOW THEREFORE** in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, the Parties mutually agree as follows:

### 1. Definitions

In this Agreement, including the recitals and schedules, unless the context otherwise requires:

- (a) “**43-101**” means “National Instrument NI 43-101” published as the ‘Standards for Disclosure for Mineral Projects’ as put forth by the Canadian Securities Administrators.
- (b) “**Affiliate**” means, with respect to a particular entity, a body corporate which controls, or which is controlled by, or which is controlled by a body corporate which controls, that particular entity.

- (c) **“Agreed Proportion”** means:
- (i) ten percent (10.0%); or
  - (ii) if the conditions in Section 8 have been satisfied, five percent (5.0%).
- (d) **“Agreement”** means the Original GPA, as amended and restated by this amended and restated gold and silver purchase agreement and all attached schedules, in each case as the same may be further supplemented, amended, restated or superseded from time to time in accordance with the terms hereof.
- (e) **“Amendment Effective Date”** means the date of approval or conditional approval, as the case may be, from the TSXV for the transactions contemplated by this Agreement (including the issuance of the Secured Convertible Debenture), as disclosed by PPX by way of a news release.
- (f) **“Amount Due”** has the meaning set out in Section 9(b) of this Agreement.
- (g) **“Annual Bulk Amount”** means, in a given year, the portion of Net Profit Interest generated by the Contractor from mining operations at the Igor 4 concession from the previous year and that was not advanced to PPX during such year.
- (h) **“Annual Report”** means a written report, in relation to any calendar year, detailing:
- (i) on a monthly and annual basis, the number of Ounces of Minerals (whether Mineral bearing ore or materials, doré, gold or silver bearing concentrate or other product resulting from milling, processing or other beneficiation of gold or silver bearing ore or materials) mined, produced, extracted and otherwise recovered from the Igor 4 Property and:
    - (A) processed by the Processing Plant; and/or
    - (B) delivered to an Offtaker in that calendar year;
  - (ii) on a monthly and annual basis, the number of Ounces of Minerals not mined, produced, extracted or otherwise recovered from the Igor 4 Property that is processed by the Processing Plant;
  - (iii) the names and addresses of each Offtaker to which the Minerals referred to in sub-Section 1(h)(i) of this definition above were delivered together with a production report from each Offtaker in respect of such Minerals delivered to that Offtaker;
  - (iv) on a monthly and annual basis, the number of Ounces of Refined Gold and Refined Silver, which have resulted, or which are estimated to result from sub Sections 1(h)(i) and (ii);
  - (v) on a monthly and annual basis, a reconciliation between any provisional number of Ounces of Refined Gold and Refined Silver specified in an Annual Report for a preceding calendar year and the final number of Ounces of Refined Gold and Refined Silver for that calendar year;

- (vi) the gold and silver prices used by PPX and its Affiliates and Subsidiaries for short term and long term planning purposes with respect to the Igor 4 Property; and
- (vii) the remaining uncredited balance of the amount secured by the Security and a calculation of how the uncredited balance of the amount secured by the Security was reduced during such calendar year.
- (i) “**Auditor’s Report**” means a report prepared by a member of a recognized international association of auditors in Canada and the United States that is mutually agreeable to the Parties and has experience and expertise in determining the quantity of gold mined, produced, extracted or otherwise recovered from the Igor 4 Property with specific and exclusive reference to the requirements set out in Section 4 of this Agreement.
- (j) “**BIA**” means the *Bankruptcy and Insolvency Act* (Canada).
- (k) “**Business Day**” means any day other than a Saturday or Sunday or a day that is a statutory or bank holiday under the jurisdiction of Vancouver, British Columbia, Canada or in San Francisco, California, United States.
- (l) “**CCAA**” means the *Companies’ Creditors Arrangement Act* (Canada).
- (m) “**Commencement of Commercial Production**” means the date upon which the Igor 4 Property has met the Monthly Commercial Production Milestone for three consecutive calendar months, which occurred on October 31, 2021.
- (n) “**Conditions**” means the conditions set out in Section 3(b) of this Agreement.
- (o) “**Contractor**” means Proyectos La Patagonia S.A.C., who is engaged by or on behalf of PPX to conduct mining operations in respect of the Igor 4 Property.
- (p) “**Control**” means the right, directly or indirectly, to direct or cause the direction of the management of the business or affairs of a person, whether by ownership of securities, by contract or otherwise; and “controls”, “controlled and “under the corresponding meanings.
- (q) “**Default Fee**” has the meaning set out in Section 9(c) of this Agreement.
- (r) “**Dispute**” has the meaning set out in Section 20(a)(ii) of this Agreement.
- (s) “**Dispute Notice**” has the meaning set out in Section 4(c) of this Agreement.
- (t) “**Effective Date**” means the date of the Original GPA, being October 10, 2016.
- (u) “**Encumbrance**” means any encumbrance of any nature or kind whatsoever securing any obligation of any person (registered or unregistered) and includes a security interest, mortgage, lien, hypothec, pledge, assignment, charge or restriction or limitation on transfer or an intention to create any of them.
- (v) “**Event of Default**” has the meaning set out in Section 9(a) of this Agreement.
- (w) “**Existing RIVI NSR**” means the existing 2% net smelter returns royalty granted by Sienna in favour of RIVI pursuant to the exercise by RIVI, on April 30, 2021, of a mining royalty option agreement dated October 21, 2020 (as amended on the same date, and as such

royalty may be further amended, restated, supplemented or otherwise modified from time to time).

- (x) **“First Instalment”** has the meaning set out in Section 3(a)(i) of this Agreement, which was paid to PPX on the First Instalment Funding Date.
- (y) **“First Instalment Funding Date”** means October 11, 2016.
- (z) **“Fixed Price”** means US\$400.00.
- (aa) **“Funding Amount”** means the amount of US\$5,000,000, payable in two (2) Instalments as set out in Section 3(a) of this Agreement.
- (bb) **“Future Gold or Future Silver”** has the meaning set out in Section 15(a)(ii) of this Agreement.
- (cc) **“Gold Equivalent Ounces”** means in respect of a number of Ounces of Refined Silver that number multiplied by the Market Price of Silver on the final trading day of the month immediately preceding the Time of Delivery thereof, divided by the Market Price of Gold on the final trading day of the month immediately preceding the Time of Delivery thereof.
- (dd) **“Gold Purchase Price”** means, on any day, a price per Ounce of Refined Gold or price per Gold Equivalent Ounce, as applicable, equal to the lesser of:
  - (i) the Fixed Price; and
  - (ii) 80% of the Market Price of Gold.
- (ee) **“Gross Payable Metals”** means, without duplication, the number of Ounces of Refined Metals:
  - (i) for which PPX or any of PPX’s Affiliates or Subsidiaries receives a credit into its bullion accounts with the refinery, net of deduction (subject to a maximum deduction of 1.0% of the gross number of Ounces of Refined Metals produced) by the refinery on account of the processing or refining into Refined Gold or Refined Silver of doré or gold-silver bearing concentrate or other product resulting from milling processing or other beneficiation at the Processing Plant of gold-silver bearing ore or material which:
    - (A) until a total of 20,000 Ounces of Refined Gold or Gold Equivalent Ounces (or a combination thereof) have been credited to the account of RIVI pursuant to this Agreement (the **“Delivery Threshold”**):
      - (I) in the case of the first 700 Tonnes of ore or material processed at the Processing Plant on a particular day, is ore or material processed by PPX or its Affiliates or Subsidiaries from any source, and
      - (II) in the case of any ore or material processed at the Processing Plant on a particular day in excess of 700 Tonnes, is ore or material processed that has been mined, produced, extracted or recovered

by PPX or its Affiliates or Subsidiaries from only the Igor 4 Property; or

(B) from and after the time the Delivery Threshold has been satisfied, ore or material processed at the Processing Plant that has been mined, produced, extracted or recovered by PPX or its Affiliates or Subsidiaries, is only from the Igor 4 Property.

(ii) in respect of:

(A) gold, silver and gold-silver bearing ore or material which has been mined, produced, extracted or recovered by PPX or its Affiliates or Subsidiaries (but sold prior to being processed) from:

(I) until the time the Delivery Threshold has been satisfied:

- 1) in the case of the first 700 Tonnes of ore or material sold in a particular day, is ore or material from any source; and
- 2) in the case of any ore or material sold in a particular day in excess of 700 Tonnes, is ore or material only from the Igor 4 Property,

(II) from and after the time the Delivery Threshold has been satisfied, is ore or material only from the Igor 4 Property,

for which PPX or its Affiliates or Subsidiaries would have received as a credit into its bullion account with a refinery had it not been so sold; and

(B) doré or gold-silver bearing concentrate or other product resulting from milling, processing or other beneficiation of gold-silver bearing ore or material (collectively, “**Doré and Concentrates**”) which has been mined, produced, extracted, recovered or acquired is from the Igor Project by PPX or its Affiliates or Subsidiaries (but sold prior to being processed or refined into Refined Gold or Refined Silver); provided that from and after the time the Delivery Threshold has been satisfied, is from Doré and Concentrates only from the Igor 4 Property

for which PPX or its Affiliates or Subsidiaries would have received as a credit into its bullion account with a refinery had it not been so sold; plus

(iii) that are determined (and deemed to exist) based on the following calculation: the Tonnes of ore from the Projects sold by PPX or its Affiliates during the relevant period to a Smelter pursuant to any Sales Contract multiplied by the ounces of gold and silver per tonne of the delivered ore as determined pursuant to the Sales Contract multiplied by the recovery rate in respect of such delivered ore as determined pursuant to the Sales Contract, for which PPX or its Affiliates or Subsidiaries would have received as a credit into its bullion account with a refinery had it not been so sold.

For greater certainty regarding the determination of any “Gross Payable Metals” under Sections 1(ee)(i)(A) or 1(ee)(ii)(A)(I) or 1(ee)(ii)(B), the parties have prepared, as an example only, the calculations set out in Schedule “E”.

- (ff) “**Guarantee**” has the meaning set out in Section 17(a) of this Agreement.
- (gg) “**Igor 4 Property**” means the portion of the Mining Properties consisting of approximately 200 hectares as shown in Schedule “A”.
- (hh) “**Igor 4 Secured Property**” means the Igor 4 Property, assets thereon and any Processing Plant on the Mineral Properties that is subject to the Security.
- (ii) “**Igor Project**” means the Igor Gold Project conducted, or proposed to be conducted, on the Mining Properties including, for greater certainty, any Processing Plant located thereon.
- (jj) “**Insolvency Event**” means, in relation to any person, any one or more of the following events or circumstances:
  - (i) Such person:
    - (A) admits in writing that it is insolvent or generally does not or becomes unable to pay its debts as they generally become due;
    - (B) commits an act of bankruptcy under the BIA, files a voluntary assignment in bankruptcy under the BIA, makes a proposal (or files a notice of its intention to do so) under the BIA or seeks any other relief in respect of itself under the BIA;
    - (C) institutes any proceedings seeking relief in respect of itself under the CCAA;
    - (D) institutes any proceeding seeking relief in respect of itself under the WURA;
    - (E) in addition to the forgoing, institutes any other proceeding seeking: (a) to adjudicate itself an insolvent person or a bankrupt; (b) to liquidate, dissolve or wind-up its business or assets; (c) to compromise, arrange, adjust or declare a moratorium in respect of the payment of, its debts; (d) to stay the rights of creditors generally (or any class of creditors); (e) any other relief in respect of itself under any federal, provincial or foreign applicable law now or hereafter in effect relating to bankruptcy, winding-up, insolvency, receivership, restructuring of business, assets or debt, reorganization of business, assets or debt or protection of debtors from their creditors (such applicable law includes any applicable corporations legislation to the extent the relief sought under such corporations legislation relates to or involves the compromise, settlement, adjustment or arrangement of debt); or (f) any other relief which provides for plans or schemes of reorganization, plans or schemes of arrangement or plans or schemes of compromise, in respect of itself, to be submitted or presented to creditors (or any class of creditors);

- (F) applies for the appointment of, or has a receiver (either court or privately appointed), interim receiver, receiver/manager (either court or privately appointed), sequestrator, conservator, custodian, administrator, trustee, liquidator or other similar official appointed in respect of it, or any substantial part of its property; or
  - (G) threatens to do any of the foregoing, or takes any action, corporate or otherwise, to approve, effect, consent to or authorize any of the actions described in this definition;
- (ii) any petition is filed, application made or other proceeding instituted against or in respect of such person:
- (A) seeking to adjudicate it an insolvent person;
  - (B) seeking a bankruptcy order against it under the BIA;
  - (C) seeking to institute proceedings against it under the CCAA;
  - (D) seeking to institute proceedings against it under the WURA;
  - (E) seeking, in addition to the foregoing: (a) to adjudicate it an insolvent person or a bankrupt; (b) to liquidate, dissolve or wind-up its business or assets; (c) to compromise, arrange, adjust or declare a moratorium in respect of the payment of, its debts; (d) to stay the rights of creditors generally (or any class of creditors); (e) any other relief in respect of it under any federal, provincial or foreign applicable law now or hereafter in effect relating to bankruptcy, winding-up, insolvency, receivership, restructuring of business, assets or debt, reorganization of business, assets or debt, or protection of debtors from their creditors (such applicable law includes any applicable corporations legislation to the extent the relief sought under such corporations legislation relates to or involves the compromise, settlement, adjustment or arrangement of debt); or (f) any other relief which provides plans or schemes of reorganization, plans or schemes of arrangement or plans or schemes of compromise in respect of it, to be submitted or presented to creditors (or any class of creditors); or
  - (F) seeking the issuance of an order for the appointment of a receiver, interim receiver, receiver/manager, sequestrator, conservator, custodian, administrator, trustee, liquidator or other similar official in respect of it or any substantial part of its property,

and such petition, application or proceeding continues undismissed, or unstayed and in effect, for a period of 30 days after the institution thereof, provided that: (a) if such person fails to contest such petition, application or proceeding the 30 day grace period shall cease to apply; (b) if an order, decree or judgment is issued (whether or not entered or subject to appeal) against such person thereunder within the 30 day period, such grace period will cease to apply, and (c) if such person files an answer or other responding materials admitting the material allegations of a petition, application or other proceeding filed against it, such grace period will cease to apply;

- (iii) anything occurs under the law of any jurisdiction which has a substantially similar effect to any of the events set out in the above paragraphs of this definition.
- (kk) “**Instalment**” means an instalment of the Funding Amount, payable as set out in Section 3 of this Agreement.
- (ll) “**LBMA**” means the London Bullion Market Association.
- (mm) “**Market Price of Gold**” means, on any day on which Refined Gold is to be delivered by PPX to the metal account of RIVI, the U.S. dollars LBMA Gold Price set by ICE Benchmark Administration (or its successor) for Refined Gold at about 3:00 p.m. (London, UK time) on that day or, if the LBMA is not trading on that day, then at about 3:00 p.m. (London, UK time) on the immediately preceding trading day or, if the LBMA Gold Price is no longer published, a market price determined by RIVI, acting reasonably.
- (nn) “**Market Price of Silver**” means, on any day on which Refined Silver is to be delivered by PPX to the metal account of RIVI, the U.S. dollars LBMA Silver Price set by ICE Benchmark Administration (or its successor) for Refined Silver at about 3:00 p.m. (London, UK time) on that day or, if the LBMA is not trading on that day, then at about 3:00 p.m. (London, UK time) on the immediately preceding trading day or, if the LBMA Silver Price is no longer published, a market price determined by RIVI, acting reasonably.
- (oo) “**Material Breach**” has the same meaning as “Event of Default” as set out in Section 9(a) of this Agreement.
- (pp) “**Metal Stream**” means the metal purchasing arrangement between PPX and RIVI set out in Sections 2 and 5 of this Agreement.
- (qq) “**Metal Stream Reduction Option**” has the meaning set out in Section 8 of this Agreement.
- (rr) “**Mineral Offtake Agreement**” means an agreement for the purchase and sale of minerals or the delivery of minerals for refining, and all amendments or addendums thereto.
- (ss) “**Minerals**” means any and all metal (including gold and silver) bearing material in whatever form or state that is mined, extracted, removed, produced or otherwise recovered from the Igor 4 Property, including unprocessed ore and any such material derived from any processing or reprocessing of any tailings, waste rock or other waste products originally derived from the Igor 4 Property, and including ore and any other products resulting from the further milling, processing or other beneficiation of Minerals, including concentrates or doré bars.
- (tt) “**Mining Properties**” means:
  - (i) the mining tenements listed in Schedule “A” attached hereto, the whole of which are commonly referred to as the Igor Project; and
  - (ii) includes any and all mining tenements that is a successor, renewal, modification, extension or substitute for the whole or any part of the mining tenements in paragraphs (i) and or otherwise granted over the land the subject of the mining tenements in paragraphs (i).

- (uu) “**Monthly Balance**” means, in a given month in which Refined Metals are due to be delivered by PPX to RIVI under Section 5(c), the difference between such amounts and the Required Monthly Maximum Amount for that month.
- (vv) “**Monthly Commercial Production Milestone**” means either (a) the Processing Plant processing ore at an average rate of at least 85% of its planned production rate of least 150 tonnes per day of ore derived from the Igor 4 Property, or (b) delivery of 150 tonnes per day of ore from the Igor 4 Property to a Smelter pursuant to Sales Contracts.
- (ww) “**Monthly Gross Margin**” means, in respect of any month, the number of Ounces of Gold and Gold Equivalent Ounces delivered by PPX to RIVI in that month under this Agreement multiplied by the number of dollars (if any) by which the Market Price of Gold exceeds the Gold Purchase Price on the last trading day of the LBMA in that month. If for any month the difference is zero or a negative number, Monthly Gross Margin for that month shall be taken to be zero.
- (xx) “**Monthly Report**” means a written report, in relation to a calendar month, detailing:
  - (i) the number of Ounces of gold or silver (whether Mineral bearing ore or materials, doré, gold-silver bearing concentrate or other product resulting from milling, processing or other beneficiation of Mineral bearing ore or materials) mined, produced, extracted and recovered from the Igor 4 Property and:
    - (A) processed by a Processing Plant; and/or
    - (B) delivered to an Offtaker in that calendar month;
  - (ii) the number of Ounces of Minerals not mined, produced, extracted or otherwise recovered from the Igor 4 Property that is processed by a Processing Plant;
  - (iii) the names and addresses of each Offtaker to which the gold and silver referred to in subsection (i) above is delivered together with a production report from each Offtaker in respect of such gold delivered to that Offtaker;
  - (iv) the number of Ounces of Gross Payable Metals (broken down between Refined Gold and Refined Silver), which have resulted, or which are estimated to result from sub-Sections 1(zz)(i) and (ii) in that relevant calendar month;
  - (v) a reconciliation between any provisional number of Ounces of Gross Payable Metals (broken down between Refined Gold and Refined Silver) specified in a Monthly Report pursuant to subsection (iv) above for a preceding calendar month and the final number of Ounces of Gross Payable Metals (broken down between Refined Gold and Refined Silver) for that calendar month;
  - (vi) the gold and silver prices used by PPX and its Affiliates for short term and long term planning purposes with respect to the Igor 4 Property;
  - (vii) a detailed calculation of the Net Profit Interest for the month; and

- (viii) a calculation of the resulting Required Monthly Maximum Amount (including a calculation of the amounts paid for that month under the Existing RIVI Royalty) and Monthly Balance, and an updated balance reflecting the Stream Account.
- (yy) “**Net Profit Interest**” means the after-tax net income of the Contractor at the Igor 4 concession.
- (zz) “**Nominee**” has the meaning set forth in Section 3(g) of this Agreement.
- (aaa) “**Offtaker**” means a party that purchases Minerals from the Igor 4 Property or takes delivery of Minerals from the Igor 4 Property whether under a Mineral Offtake Agreement or otherwise and whether a refinery or otherwise.
- (bbb) “**Option Commencement Date**” has the meaning set out in Section 8 of this Agreement.
- (ccc) “**Option Exercise**” has the meaning set out in Section 8 of this Agreement.
- (ddd) “**Original GPA**” has the meaning set forth in the recitals hereto;
- (eee) “**Ounce**”, “oz.” or other reference to gold or silver Ounces shall mean Troy Ounce equal to 31.1034768 grams.
- (fff) “**Parties**” means PPX and RIVI and “**Party**” means any one of the Parties.
- (ggg) “**Permitted Encumbrances**” means those encumbrances set out in Schedule “B” of this Agreement.
- (hhh) “**Person**” means and includes individuals, corporations, bodies corporate, limited or general partnerships, joint stock companies, limited liability corporations, joint ventures, associations, companies, trusts, banks, trust companies, government or any other type of organization, whether or not a legal entity.
- (iii) “**Place of Delivery**” has the meaning as set out in Section 5(a) of this Agreement.
- (jjj) “**Prime**” means, at any particular time, the reference rate of interest, expressed as a rate per annum that The Bank of America establishes as its prime rate of interest in order to determine interest rates it charges for demand loans in US dollars to its most credit worthy customers.
- (kkk) “**Pre-Pay Arrangements**” means any agreement, undertaking, deed, contract or other or arrangement entered into, or proposed to be entered into, by PPX or its Affiliates or Subsidiaries in respect of the sale of Minerals.
- (lll) “**Processing Plant**” means any processing plant, heap leach facility and associated facilities and infrastructure including, without limitation, the associated heap leach pads used or built in connection with the Projects to process Minerals into doré or gold-silver bearing floatation concentrate.
- (mmm) “**Project Milestones**” has the meaning as set out in Section 3(c) of this Agreement.
- (nnn) “**Projects**” means the Igor Project and any other project from time to time operated by PPX or any of its Affiliates or Subsidiaries on the Mining Properties.

- (ooo) “**Receiving Party**” has the meaning as set out in Section 13(a).
- (ppp) “**Refined Gold**” means marketable metal bearing material in the form of gold that is refined to not less than 99.5% purity and meeting or exceeding any other commercial standards for the sale of gold.
- (qqq) “**Refined Metals**” means Refined Gold and Refined Silver.
- (rrr) “**Refined Silver**” means marketable metal bearing material in the form of silver that is refined to not less than 99.9% purity and meeting or exceeding any other commercial standards for the sale of silver.
- (sss) “**Relying Party**” has the meaning set out in Section 18(d) of this Agreement.
- (ttt) “**Required Monthly Maximum Amount**” means delivery of that number of ounces of Refined Metals as is equal to the quotient obtained by dividing 30% of the Net Profit Interest collected by PPX for a given month (less any amounts paid that month under the Existing RIVI Royalty) by the Gold Purchase Price.
- (uuu) “**RIVI Third Party Offer**” has the meaning set out in Section 16(a) of this Agreement.
- (vvv) “**Sales Contract**” means an agreement with a Smelter for the sale of gold-silver bearing ore to such refinery or smelter in exchange for a payment of cash proceeds to PPX or its Affiliates.
- (www) “**Second Instalment**” has the meaning set out in Section 3(a)(ii) of this Agreement, which was paid to PPX on the Second Instalment Funding Date.
- (xxx) “**Second Instalment Funding Date**” means December 13, 2017.
- (yyy) “**Secured Convertible Debenture**” means the senior secured convertible debenture of PPX issued on the Amendment Effective Date in the principal amount of \$5,399,946 in the form set forth in Schedule “G”.
- (zzz) “**Security**” means a first-ranking:
- (i) registered mining tenements mortgage over the Mining Properties, as amended, amended and restated, supplemental or modified from time to time; and
  - (ii) general security interest over all of the present and after-acquired assets of PPX and PPX’s respective Affiliates and Subsidiaries (including real and personal property) within the Mining Properties.
- as security for the obligations of PPX and PPX’s Affiliates and Subsidiaries under this Agreement, the Secured Convertible Debenture and the Guarantees, in each case in a form and substance reasonably acceptable to RIVI, provided that the parties may agree to substitute a bond or other form of security for the foregoing.
- (aaaa) “**Security Documents**” means the following agreements or instruments:
- (i) a general security agreement from each of PPX, its Affiliates and Subsidiaries in favour of RIVI, in form and substance satisfactory to RIVI;

- (i) Contratos de Hipoteca between Sienna Minerals S.A.C. and Agraria Huaranchal S.A.C.; and RIVI, as amended, amended and restated, supplemental or modified from time to time; and
- (i) any and all other agreements, amendments or instruments now or hereafter executed or delivered by PPX, or any of its Affiliates or Subsidiaries as security or in connection with the Security (including by way of guarantee) for the payment or performance of all of the obligations hereunder or under the Secured Convertible Debenture, the Security Documents and the Guarantees, as any of the foregoing may have been, or may hereafter be, amended, modified or supplemented.
- (bbbb) “**Sienna**” has the meaning ascribed thereto in the recitals hereof.
- (cccc) “**Smelter**” means a third party refinery, smelter or toll mill (other than the Processing Plant) to whom PPX delivers gold-silver bearing ore from the Mining Properties pursuant to a Sales Contract.
- (dddd) “**Stream Account**” means the cumulative total of all outstanding and unpaid Monthly Balance, as determined in accordance with the reporting requirements of Section 4, plus accrued and unpaid Stream Interest.
- (eeee) “**Stream Interest**” has the meaning ascribed thereto in Section 5(f) of this Agreement.
- (ffff) “**Subsidiary**” has the meaning given to it in the *Business Corporation Act* (British Columbia) and “**Subsidiaries**” has a corresponding meaning.
- (gggg) “**Term**” means the period commencing on the Effective Date and ending on the earlier of (a) the date all metals covered by, or the subject of, the Igor 4 Property are mined, produced, extracted or otherwise recovered from the Igor 4 Property; and (b) the date that is 40 years after the Effective Date.
- (hhhh) “**Third Party Offer**” has the meaning set out in Section 15(a)(ii) of this Agreement.
- (iiii) “**Time of Delivery**” has the meaning as set out in Section 5(i) of this Agreement.
- (jjjj) “**TSX**”, “**TSXV**” means TMX Group Limited and its affiliates or the Toronto Stock Exchange, as the context requires.
- (kkkk) “**TSXV Listing Rules**” means the listing rules of the TSXV from time to time in force.
- (llll) “**Warranties**” has the meaning set out in Section 18(d)(i) of this Agreement.
- (mmmm) “**Warrantor**” has the meaning set out in Section 18(d)(i) of this Agreement.
- (nnnn) “**WURA**” means *Winding Up and Restructuring Act* (Canada).

## 2. Purchases and Sale of Refined Gold and Refined Silver

- (a) Subject to and in accordance with the terms of this Agreement (including the Conditions), PPX agrees to sell to RIVI, and RIVI agrees to purchase from PPX in accordance with Section 5, an amount of Refined Metals equivalent to the Agreed Proportion of all Gross

Payable Metals for the Gold Purchase Price, free and clear of all Encumbrances during the Term.

- (b) PPX shall satisfy its obligation under Section 2(a) of this Agreement by delivering, or procuring delivery of, gold credits, or in the case of Gold Equivalent Ounces silver credits, to RIVI's designated bullion accounts from time to time during the Term of this Agreement in accordance with Section 5 of this Agreement.
- (c) For the avoidance of doubt, this Agreement does not contemplate the delivery to RIVI of physical gold or physical silver.

### 3. Funding Amounts and Conditions

- (a) RIVI shall pay the Funding Amount to PPX (or as PPX may expressly direct in writing) in two (2) Instalments, as follows:
  - (i) subject to the satisfaction of the Conditions by their respective due dates for satisfaction set out in Section 3(b), the first Instalment (the "**First Instalment**") of two million five hundred thousand United States dollars (US\$2,500,000), is payable upon satisfaction of the Conditions;
  - (ii) subject to the Project Milestones being met, the second Instalment (the "**Second Instalment**") of two million five hundred thousand United States dollars (US\$2,500,000) is payable fourteen (14) Business Days after RIVI is reasonably satisfied (but subject to Section 3(d)) that the Project Milestones have been met, such payment not to be unreasonably withheld, delayed or conditioned provided that if RIVI exercises its right under Section 3(d) to waive satisfaction of the Project Milestones then the Second Instalment is payable fourteen (14) Business Days after waiver thereof by RIVI.
- (b) RIVI's obligation to pay the First Instalment in accordance with Section 3(a) is subject to the satisfaction or waiver (such waiver, if any, being in the sole discretion of RIVI) of the following conditions (the "**Conditions**"):
  - (iii) all necessary regulatory and shareholder approvals required in connection with the transactions contemplated by this Agreement or RIVI being satisfied that no such regulatory or shareholder approvals are required.
  - (iv) PPX shall have obtained the following permits under the Pequeño Productor Minero (Small Mine Producer):
    - (A) The Certificado de Operaciones Minera (COM);
    - (B) The Permiso de Uso de Explosivos (Explosives Permit); and
    - (C) The Autorizaciones Inicio de Actividades (AIA) (Authorization to Begin Activities);
  - (v) RIVI has confirmed that it is satisfied, in its unfettered discretion:

- (A) with the solvency and financial circumstances of PPX, including any indebtedness to related or to third parties and that all of PPX's (and its Affiliates and Subsidiaries) assets are free from Encumbrances other than Permitted Encumbrances;
  - (B) that the funds provided by RIVI under this Agreement and the existing cash resources of PPX will cover the forecast development cost to production estimates;
- (vi) all of the Security Documents shall have been executed and delivered by PPX, in a form and substance, satisfactory to RIVI, and the Security Documents shall have been registered, filed or recorded in all offices, and all actions shall have been taken, that may be prudent or necessary to preserve, protect or perfect the security interest of RIVI under the Security Documents;
- (vii) PPX providing written declaration to RIVI on the day after satisfaction of all other Conditions that:
- (A) no Event of Default or potential Event of Default has occurred other than those specified in a document identified in Schedule "D" to this Agreement ; and
  - (B) all of the warranties in Section 18 are true and correct and will on payment of the first Instalment be true and correct.

Notwithstanding any other provision of this Agreement to the contrary, if the First Instalment is not advanced by RIVI to PPX within 20 days after the date of this Agreement or such later date as may be agreed to by the parties, either party may terminate this Agreement by providing written notice to the other, following which the parties shall be relieved of all obligations to each other hereunder; except that PPX shall have no such right of termination if PPX has failed to satisfy the conditions precedent of this Section 3(b).

- (c) The Second Instalment will be payable to PPX fourteen (14) Business Days after all the following milestones (the "**Project Milestones**") have been satisfied, provided that the Project Milestones have been satisfied by June 30, 2017, which date may be extended by RIVI in its unfettered discretion but subject to RIVI'S right to waive satisfaction of the Project Milestones and pay the Second Instalment pursuant to Section 3(d) of this Agreement:
- (i) 4,000 tonnes of ore shall have been extracted from the Igor 4 Property and delivered to PPX's fully permitted Processing Plant;
  - (ii) (A) the Market Price of Gold is not less than US\$1075.00 on the day that sub-Section 3(c)(i) of this Agreement has been met and on each of the preceding 10 days on which such spot price is quoted; or
  - (B) for the three (3) consecutive months prior to the day that sub-Section 3(c)(i) of this Agreement has been met, the Igor 4 Property has generated net positive cash flow;

- (iii) the Security Documents are in full force and effect and all registrations and filings with respect to the Security are in good standing.
- (d) RIVI may, in its unfettered discretion at any time after October 1, 2016 waive the satisfaction of the Project Milestones and pay the Second Instalment to PPX.
- (e) Should a dispute arise concerning satisfaction of the Project Milestones, PPX and RIVI agree to determine the matter under the process set out in Section 20 of this Agreement.
- (f) Any payments required to be made by RIVI under this Section 3 of this Agreement are to be made via International SWIFT wire or similar settlement to the accounts from time to time designated for that purpose as communicated by PPX.
- (g) The Parties agree that:
  - (i) upon execution and for the term of this Agreement, RIVI will be entitled to nominate and maintain one person to be non-executive director of PPX (“**Nominee**”);
  - (ii) the Nominee will receive no compensation or remuneration from PPX except reimbursement for necessary travel (which shall include at least one visit to the Project each calendar year) conducted by the Nominee in relation to PPX business, which PPX agrees to reimburse in a timely manner;
  - (iii) upon RIVI providing PPX with a written consent of the Nominee to act as a director of PPX, then PPX’s board of directors must convene a meeting of the board as soon as practicable and resolve at that meeting to appoint the Nominee as a non-executive director of PPX;
  - (iv) subject to Section 3(g)(iii) of this Agreement being complied with, PPX’s board of directors must take all reasonable steps to maintain the Nominee as a non-executive director including recommending the re-election of the Nominee at any general meeting of PPX at which the Nominee is standing for election or re-election;
  - (v) notwithstanding anything herein to the contrary, RIVI’s entitlement to a Nominee shall cease if:
    - (A) at least 72 months have elapsed from the Commencement of Commercial Production and 20,000 Ounces of Refined Gold or Gold Equivalent Ounces (or a combination thereof) have been delivered to RIVI per this Agreement.
    - (B) RIVI sells, transfers or assigns all or any portion of its interest in this Agreement.
- (h) The amount of the Monthly Gross Margin, if any, in respect of the Refined Metals delivered to RIVI under this Agreement shall be credited against the Funding Amount until the Funding Amount has been credited and reduced to nil.

RIVI's rights under this Agreement will cease to be secured by the Security after the cumulative Monthly Gross Margin calculated over the term of this Agreement exceeds the Funding Amount. For greater certainty and notwithstanding the foregoing, RIVI's rights under the Secured Convertible Debenture will continue to be secured by the Security until such time that all obligations of PPX owing to RIVI thereunder are fully satisfied and extinguished.

If after the Funding Amount has been reduced to nil and all obligations of PPX owing to RIVI under the Secured Convertible Debenture are fully satisfied and extinguished there is not a continuing Event of Default, RIVI shall release the Security.

- (i) PPX will ensure and will procure that PPX and PPX's respective Affiliates and Subsidiaries ensure, that all funds from the Funding Amount are used exclusively to acquire, explore, develop and mine the Mining Properties and to meet and lower operating costs at the Projects and, for greater certainty, shall not be used to pay any existing debt or accrued liabilities whether arm's length or otherwise. In this regard RIVI's prior written approval (which must not be unreasonably withheld, delayed or conditioned) must be obtained for the following use of such funds:
  - (i) to incur any individual liabilities of USD\$50,000 or more in one transaction or over a period of 2 months which has not been approved by the Board of Directors of PPX; and
  - (ii) to incur any capital expenditure of USD\$50,000 or more in one transaction or over a period of 2 months which has not been approved by the Board of Directors of PPX.
- (j) As from the date of execution of this Agreement, PPX must not, and must procure that all of PPX's Affiliates and Subsidiaries do not, incur or permit any additional Encumbrances over their assets (including any shares or other securities in any Affiliate or Subsidiary, the Mining Properties, the Processing Plant and any other asset used wholly or partly in connection with the Projects) other than Permitted Encumbrances, without the prior written consent of RIVI (which must not to be unreasonably withheld, delayed or conditioned).
- (k) PPX shall pay RIVI a structuring fee equivalent to 3.0% of the First Instalment which fee shall be paid upon RIVI paying the First Instalment. A further structuring fee equal to 3.0% of the Second Instalment shall be paid at the time RIVI pays the relevant amount. Unless RIVI notifies PPX otherwise, each structuring fee will be paid separately to RIVI and will not be offset against the relevant Instalment. Payment of the structuring fee by PPX will occur within two (2) Business Days following receipt of the Instalment from RIVI and an accompanying invoice for the structuring fee.
- (l) PPX will pay interest to RIVI initially at a rate of 10.0% per annum on the amount of the First Instalment, accruing on daily balances from the First Instalment Funding Date until (but excluding) the Second Instalment Funding Date and, from and after the Second Instalment Funding Date, at a rate of 12.0% per annum on the aggregate Funding Amount, accruing on daily balances from the Second Instalment Funding Date until the end of the third month after the Commencement of Commercial Production in which the Monthly Commercial Production Milestone is met.

Interest is payable in US dollars quarterly in arrears and on the date that interest ceases to accrue under this clause and shall be made by wire transfer in immediately available funds to the bank account or accounts designated by RIVI in writing from time to time, without withholding, deduction or set-off, except to the extent required by applicable law.

#### **4. Reporting Requirements**

- (a) PPX shall deliver to RIVI a Monthly Report on or before the seventh (7<sup>th</sup>) day after the last day of each calendar month, commencing at the end of the month in which this Agreement is executed.
- (b) During the term of this Agreement, PPX shall deliver to RIVI an Annual Report within sixty (60) days after the last day of each calendar year.
- (c) If RIVI disputes an Annual Report:
  - (i) RIVI shall notify PPX in writing within six (6) months from the date of delivery of that Annual Report that it disputes the accuracy of that Annual Report (or any part thereof) (the “**Dispute Notice**”);
  - (ii) RIVI and PPX shall have thirty (30) days from the date the Dispute Notice is delivered by RIVI, in accordance with the notice provisions set out in Section 21(i) of this Agreement, to resolve the dispute. If RIVI and PPX have not resolved the dispute within the thirty (30) day period, then RIVI shall have the right to require PPX to deliver an Auditor’s Report;
  - (iii) and if the Auditor’s Report concludes that the accurate total of any amount in paragraphs (i), (ii), (iv), or (v) of the definition of Annual Report is understated by one per cent (1%) or less from the relevant number set out in the Annual Report, then the cost of the Auditor’s Report shall be for the account of RIVI;
  - (iv) and if the Auditor’s Report concludes that the accurate total of any amount in paragraphs (i), (ii) or (iv) is understated by more than one per cent (1%) from the number of Ounces of gold set out in the Annual Report, then the cost of the Auditor’s Report shall be for the account of PPX; and
  - (v) and if either RIVI or PPX disputes the Auditor’s Report and such dispute is not resolved between the Parties within ten (10) days after the date of delivery of the Auditor’s Report, then such dispute shall be resolved in accordance with Section 20 of this Agreement.
- (d) During the Term, PPX shall deliver to RIVI copies of any and all Sales Contracts (translated to English, if necessary) entered into by PPX or its Affiliates or Subsidiaries and relating to the Igor Project. PPX shall promptly notify RIVI in writing of any dispute with the Smelter in respect of a material matter arising out of or in connection with the processing of Minerals or the calculation of any amounts owing under such Sales Contracts. PPX shall provide RIVI with timely updates on the status of any such dispute and the final decision and aware of the court or arbitration panel with respect to such dispute, as the case may be.

#### **5. Deliveries, Gold Price and Payment**

- (a) PPX shall sell and deliver to RIVI all Refined Metals to be sold and delivered under this Agreement by way of credit to the bullion accounts of RIVI with a bank to be specified by RIVI from time to time (the “**Place of Delivery**”).
- (b) PPX shall notify RIVI in writing at least three (3) Business Days before any delivery and credit to the account of RIVI of:
  - (i) the number of Ounces of Refined Gold and Refined Silver to be delivered and credited; and
  - (ii) the estimated date and time of delivery and credit.
- (c) Within seven (7) days after the conclusion of the first full month after the Commencement of Commercial Production and for every month thereafter until the end of the Term or earlier termination of this Agreement in accordance with its terms, PPX shall deliver and credit to RIVI’s bullion accounts Refined Metals in an amount equal to the greater of:
  - (i) 50 Ounces of Refined Gold or 50 Gold Equivalent Ounces or a combination thereof; and
  - (ii) the estimated number of Ounces of the Agreed Proportion of the Gross Payable Metals specified in the Monthly Report for the calendar month most recently ended;

*provided that* PPX shall not be required to deliver more than the Required Monthly Maximum Amount to RIVI (but, for greater certainty, PPX may, in its discretion, deliver more than the Required Monthly Maximum Amount), with any Monthly Balance being credited to the Stream Account and accruing Stream Interest; *provided further* that if any amount(s) deliverable pursuant to this Section (c) are less than the Required Monthly Maximum Amount, or if PPX determines, in its discretion, to deliver to RIVI more than the Required Monthly Maximum Amount that is owed pursuant to this Section 5(c) (and, in each case, any amount remains outstanding in the Stream Account), then the difference thereof shall be applied against the Stream Account as follows: (A) first as against accrued Stream Interest; and (B) the remainder against outstanding Monthly Balance. For greater certainty, nothing herein shall limit PPX from delivering, at any time and from time to time, any amounts due to be delivered in the Stream Account, which shall be applied as described in the immediately preceding sentence.

- (d) If there are any amounts outstanding in the Stream Account when PPX receives an Annual Bulk Amount, PPX shall deliver to RIVI Refined Metals equal to the lesser of: (i) the quotient obtained by dividing the outstanding Stream Account by the Gold Purchase Price; or (ii) the quotient obtained by dividing 40% of the Annual Bulk Amount by the Gold Purchase Price.
- (e) **[intentionally omitted]**
- (f) Interest will accrue on any Monthly Balance comprising the Stream Account at a fixed rate of 2.00% per month (the “**Stream Interest**”), until the Stream Account is paid in full, calculated on the basis of the actual number of days elapsed in a year, being 365 or 366, as the case may be, accruing on a monthly basis and payable as set forth herein.

- (g) If: (i) in any Annual Report the reconciliation provided under paragraph (v) of the definition of Annual Report concludes that the number of Ounces of Refined Gold and Refined Silver specified in an Annual Report for a preceding calendar year was, on a monthly basis, understated compared to the final number of Ounces of Refined Gold and Refined Silver for that calendar year by one per cent (1%) or more in three (3) or more months in a calendar year or (ii) an Auditor's Report concludes that the accurate total of any amount in paragraphs (i), (ii), or (iv) of the definition of Annual Report is, on a monthly basis, understated by one per cent (1%) or more from the relevant number set out in the Annual Report in three (3) or more months in a calendar year, then in either case PPX must, in addition to satisfying its obligations to deliver Gross Payable Metals in accordance with Section 2, pay to RIVI a penalty equal to 10% of the total accurate amount.
- (h) **[Intentionally Omitted]**
- (i) Delivery of all Refined Metals shall be deemed to have been made at the time Refined Metal is credited to the Place of Delivery (the "**Time of Delivery**").
- (j) Title to, and risk of loss of, Refined Metals shall pass from PPX to RIVI at the Time of Delivery.
- (k) All costs and expenses pertaining to the delivery and credit of Refined Metals to the Place of Delivery shall be borne by PPX, including any taxes, duties, excises or imposts payable to a government or regulatory body in relation to the delivery and credit of Refined Metals.
- (l) At or before the Time of Delivery, PPX shall deliver to RIVI an invoice setting out:
- (i) the number of Ounces of Refined Gold or Refined Silver, as applicable, so credited or to be credited;
  - (ii) the calculations of the Gold Equivalent Ounces, if any, included in such delivery;
  - (iii) the Gold Purchase Price for such Refined Metals;
  - (iv) the Required Monthly Maximum Amount; and
  - (v) the Monthly Balance.
- (m) RIVI shall pay to PPX, in accordance with Sections 5(o) and 5(p) of this Agreement, the Gold Purchase Price for each Ounce of Refined Gold or Gold Equivalent Ounce delivered by PPX to RIVI under this Agreement.

At RIVI's election, RIVI may elect by written notice to PPX to pay the Gold Purchase Price by setting that amount off the amount of gold or silver credits that PPX would otherwise deliver to RIVI against the Gold Purchase Price. In such event, the relevant invoice must set out this calculation. For the purposes of this Section 5(m), any amount of gold and silver credits set off and withheld against the Gold Purchase Price shall be valued at the Market Price of Gold or Market Price of Silver, as applicable, on the trading day immediately prior to the date that such amount of Refined Metals would have been credited to the metal account of RIVI in accordance with this Agreement but for such set-off.

(n) If RIVI disputes the accuracy or completeness of any invoice provided by PPX under Section 5(l), RIVI shall notify PPX within four (4) months from the later of:

- (i) the date of receipt by RIVI of such invoice; and
- (ii) the Time of Delivery,

in which case Section 20 will apply. For clarity, if RIVI does not notify a dispute in respect of an invoice of the type set out in this section within the required period of time, RIVI shall be incontrovertibly deemed to have irrevocably waived its rights to dispute the relevant invoice under this section, and unconditionally released PPX from any and all associated claims, notwithstanding any other provision in this Agreement.

If RIVI notifies PPX of a disputed invoice of the type set out in this section within the required period of time, and the Parties are proceeding with a determination under Section 20 in respect thereof, RIVI shall continue to make all payments due to PPX hereunder without deduction or set off in respect of the disputed invoice until such time as the matter has been determined in accordance with Section 20; provided that if there is a disputed invoice of the type set out in this section in an amount in excess of US\$100,000 at the time RIVI is required to pay the Second Instalment under Section 3(a)(ii), then payment thereof shall be delayed until such time as the disputed invoice has been resolved to the satisfaction of RIVI.

(o) Subject to RIVI electing pursuant to Section 5(m) to have the Gold Purchase Price set off against the value of the gold and silver credits delivered under Section 5(a), payment by RIVI for each delivery and credit of Refined Metal under this Agreement shall be made promptly and in any event not later than three (3) Business Days after the later of:

- (i) the Time of Delivery; and
- (ii) receipt of an invoice for each such delivery and credit.

(p) Subject to RIVI electing pursuant to Section 5(m) to have the Gold Purchase Price set off against the value of the gold and silver credits delivered under Section 5(a), all payments for Refined Metals by RIVI to PPX shall be made in U.S. Dollars and shall be made by wire transfer in immediately available funds to the bank account or accounts designated by PPX in writing from time to time, without withholding, deduction or set-off, except to the extent required by applicable law.

(q) Subject to the dispute of any payment in accordance with Section 20 of this Agreement, any payment not made on or by the applicable payment date referred to in this Section 5 of this Agreement shall incur interest at a rate equal to Prime until such payment is made. In addition to the foregoing, if RIVI has not made any payment on or by the applicable payment date referred to in Section 5(o) of this Agreement from and after the date that is seven (7) days following delivery by PPX to RIVI of notice of such non-payment, then PPX shall have the right to set off against any such non-payment (including interest from the date the payment was due at a rate of 10% per annum accruing on daily balances) and withhold from future delivery to RIVI an amount of Refined Metal equal in value to such non-payment (including interest). For the purposes of this Section 5(q) of this Agreement, any amount of Refined Metals set off and withheld against any non-Funding Amount shall be valued at the Market Price of Gold or Market Price of Silver, as applicable, on the

trading day immediately prior to the date that such amount of Refined Metals would have been credited to the metal account of RIVI in accordance with this Agreement but for such non-payment.

- (r) Any value added taxes or goods and services taxes (including GST) that may be imposed by any authorities in connection with the sale or supply of Refined Metals under this Agreement will be for the account of and the liability of PPX, unless otherwise provided by applicable law that cannot be varied or contracted out of.
- (s) RIVI will not be liable or accountable for any tax, duty, levy or impost (including any interest or penalties on the same) imposed by any jurisdiction on the overall net income of PPX or its Affiliates or Subsidiaries (taken together or individually) as a consequence of either of those parties being a resident of or organised or doing business in that jurisdiction, including capital gains tax and income tax liabilities of PPX or its Affiliates or Subsidiaries (taken together or individually).

## **6. Mineral Offtake Agreements and Refining**

- (a) PPX shall notify RIVI in writing when it or its Affiliates or Subsidiaries commences negotiations to enter into a new Mineral Offtake Agreement or Pre-Pay Arrangement that includes the sale and purchase of gold mined, produced, extracted, or otherwise recovered from the Igor 4 Property, and shall provide RIVI with the proposed terms of any such agreement that pertain to the sale and purchase of gold prior to entering into any such Mineral Offtake Agreement or Pre-Pay Arrangement.
- (b) PPX must ensure that neither it nor its Affiliates or Subsidiaries, without the consent of RIVI, enter into any new Mineral Offtake Agreement or Pre-Pay Arrangement that will, when aggregated with existing Mineral Offtake Agreements and Pre-Pay Arrangements, prevent or hinder PPX from fulfilling its obligation to supply Refined Metals to RIVI under this Agreement.
- (c) PPX shall ensure, and shall ensure that PPX's respective Affiliates and Subsidiaries ensure, that all gold and silver mined, produced, extracted or otherwise recovered from the Mining Properties and supplied to RIVI is refined at a reputable refinery acceptable to RIVI, acting reasonably, under a Mineral Offtake Agreement or Pre-Pay Arrangement which has been approved by RIVI, such approval not to be unreasonably withheld, delayed or conditioned.

## **7. Term**

- (a) The Term of this Agreement shall commence on the date of this Agreement and, subject to Sections 7(b) and (c) and Section 9 of this Agreement, shall continue until the end of the Term, unless terminated earlier in accordance with this Agreement.
- (b) If the Conditions are not satisfied within applicable time periods as set out in Section 3(b) (or such later date as agreed by the Parties), RIVI may, in its sole discretion, terminate this Agreement by written notice to PPX in which case no party shall have any right against the other under this Agreement except in respect of any antecedent breaches or under any Sections that survive termination.
- (c) RIVI may, without prejudice to its other rights or remedies at law or in equity or under this Agreement, immediately terminate this Agreement or seek specific performance at any

time by written notice to PPX, if PPX or any of its Affiliates or Subsidiaries commits a Material Breach.

- (d) This Agreement shall automatically terminate at the end of the Term provided all amounts then owing to RIVI have been paid.

## 8. Stream Buyback and Reduction

- (a) Upon the conclusion of 72 months in respect of which the Monthly Commercial Production Milestone has been met after Commencement of Commercial Production, and upon delivery of (or payments in respect thereof made pursuant to this Agreement that are equivalent to) 20,000 Ounces of Refined Gold or Gold Equivalent Ounces (or a combination thereof) to RIVI (“**Option Commencement Date**”), and providing that the Market Price of Gold per ounce is above US\$1200.00, PPX shall have the option to reduce the Metal Stream from 10.0% to 5.0% (the “**Metal Stream Reduction Option**”) by providing to RIVI within 21 days of the Option Commencement Date, notice of exercise of this option (“**Option Exercise**”) together with payment of United States Dollars US\$5,000,000 by bank cheque or cleared funds into an account nominated by RIVI.
- (b) Upon the valid exercise of the Metal Stream Reduction Option:
  - (i) the “**Agreed Proportion**” for the purposes of this Agreement will be reduced to 5.0%; and otherwise
  - (ii) this Agreement will continue in the same terms.

## 9. Events of Default and Remedies

- (a) Each of the following events or circumstances constitutes an event of default (each, an “**Event of Default**”):
  - (i) In respect of PPX or its Affiliates or Subsidiaries:
    - (A) any of PPX or its Affiliates or Subsidiaries are in breach or default in any material respect of any of its respective covenants or obligations under this Agreement;
    - (B) any of PPX or its Affiliates or Subsidiaries are in breach or default of any of its respective representations, warranties, covenants or obligations set forth in this Agreement or the Security or the Guarantees to which they are respectively a party in any material respect (other than any such covenant or agreement that is the subject of Section 9(a)(i)(A)) and such breach or default is not remedied within the 30 days after the earlier of (i) the date on which such failure shall first become known to any officer of PPX or (ii) the date on which written notice thereof is given to PPX by RIVI;
    - (C) the occurrence of an Insolvency Event affecting PPX or its Affiliates or Subsidiaries;
    - (D) if the obligations of any party under a Guarantee or Security Document is limited or terminated by operation of law or by such party;

- (E) if any Security Document shall, for any reason, fail or cease to create a valid and perfected Encumbrance in favour of RIVI, subject to Permitted Encumbrances;
  - (F) the validity or enforceability of any Security Document or Guarantee shall at any time for any reason be declared to be null and void or a proceeding shall be commenced by PPX, its Affiliates or any of its Subsidiaries or by a governmental authority having jurisdiction over such party seeking to establish the invalidity or unenforceability thereof, or PPX or any of its Affiliates or Subsidiaries shall deny that it has any liability or obligation purported to be created under any Security Document or Guarantee;
  - (G) if, within 90 days following the date on which the Contractor ceases to be the contractor in respect of the mining operations at the Igor 4 concession, the Parties have not amended this Agreement pursuant to Section 21(a)(iii);
  - (H) an event that the Secured Convertible Debenture states will be an Event of Default; and
  - (I) an event that this Agreement states will be an Event of Default.
- (ii) in respect of RIVI:
- (A) RIVI is in breach or default of any of its representations, warranties, covenants or obligations set forth in this Agreement in any material respect and such breach or default is not remedied within 30 days of notice thereof from PPX; or
  - (B) the occurrence of an Insolvency Event affecting RIVI which is not discharged or dismissed within fifteen (15) Business Days from commencement.
- (b) If an Event of Default (other than an Event of Default under Section 9(a)(i)(C)) occurs in respect of PPX or its Affiliates or Subsidiaries and is continuing, RIVI shall have the right, upon written notice to PPX, at its option and in addition to and not in substitution for any other remedies available at law or equity, to demand repayment of the remaining balance of the amount secured by the Security (which for the avoidance of doubt, includes the amount by which the cumulative Monthly Gross Margin calculated as at the date of the Event of Default is less than the Funding Amount whether or not RIVI has an immediate entitlement to that amount as at the date of the Event of Default), if any, at the time of the occurrence of such Event of Default (the “**Amount Due**”). Upon demand from RIVI, which demand shall include a calculation of the Amount Due, PPX shall promptly pay or procure the payment of the Amount Due to RIVI by wire transfer, in immediately available funds, to a bank account designated by RIVI. If an Event of Default under Section 9(a)(i)(C) occurs and is continuing, the Amount Due shall automatically become and be immediately due and payable.
- (c) If an Event of Default occurs in respect of RIVI and is continuing, PPX shall have the right, upon written notice to RIVI, at its option and in addition to and not in substitution for any other remedies available at law or equity, to demand immediate payment of the Gold

Purchase Price for Refined Gold delivered to RIVI under this Agreement but for which payment has not been made, with interest at a rate of 10% per annum accruing on daily balances, at the time of the occurrence of such Event of Default (the “Default Fee”). Upon demand from PPX, which demand shall include a calculation of the Default Fee, RIVI shall promptly pay the Default Fee to PPX by wire transfer, in immediately available funds, to a bank account designated by PPX.

## 10. Processing/Commingling/Stockpiling

- (a) Subject to Section 10(b), PPX shall ensure that all gold and silver mined, produced, extracted or otherwise recovered from the Igor 4 Property is processed:
  - (i) through a Processing Plant which must be owned, operated, contracted to or leased by PPX or its Affiliates or Subsidiaries; and
  - (ii) in priority to ores or other minerals derived from properties that are not one of or do not constitute part of the Igor 4 Property; and

after satisfaction of the Delivery Threshold, not commingled with ores or other minerals derived from properties that are not part of the Igor 4 Property.

- (b) PPX shall be entitled to commingle Minerals from the Igor 4 Property with minerals from any other properties during the stockpiling, milling (concentrating), smelting, refining, minting or further processing of Minerals produced from the Igor 4 Property; provided that (i) before any Minerals are commingled with ores or minerals from any other properties, as contemplated above, the Minerals shall be measured and sampled in accordance with standard mining and metallurgical practices; (ii) representative samples of the Minerals and assays and appropriate analyses of these samples shall be made before commingling to determine mineral, moisture and other appropriate content of the Minerals; (iii) PPX shall not dispose of the materials and data required to be produced and kept by this paragraph for at least a period of twenty-four (24) months from the date such materials and data are produced and (iv) RIVI shall not be disadvantaged as a result of such commingling including ensuring that ore to which RIVI is entitled to a percentage of is neither displaced nor processed at a lower rate as a result of such commingling.
- (c) The rights of PPX to stockpile, store or place Minerals off of the Mining Properties pursuant to any of the provisions of this Agreement shall not be exercisable until PPX has first secured from the property owner where such stockpiling, storage or placement is to occur a written agreement in recordable form which provides that RIVI’s rights to the Minerals shall be preserved. Such agreement shall provide, *inter alia*, that (a) the RIVI’s rights pursuant to this Agreement, insofar as they are applicable, shall continue in full force and effect; (b) RIVI’s rights in and to the Minerals shall be the same as if the Minerals were situate on the Mining Properties; (c) the Purchaser’s rights set forth in this section (c) shall have precedence over the rights to the Minerals of the property owner where the Minerals is stockpiled, stored or placed, as well as the creditors of the said property owner; (d) the agreement shall be irrevocable as long as the Minerals, or any part thereof, remains on the property not part of the Mining Properties and (e) RIVI shall have substantially similar access rights and obligations as provided in Section 11.

## 11. Books; Records; Inspections

- (a) PPX shall provide to RIVI at least annually, and in a timely manner:
  - (i) a copy of the annual mine plan with respect to the Igor 4 Property, and,
  - (ii) any amendments, updates or additions to any such mine plan, which plans shall be prepared in accordance with usual practices prevailing in the mining industry, and shall include, but not be limited to, information with respect to anticipated mining activities on the Igor 4 Property.
- (b) PPX shall keep, and shall procure that PPX and PPX's and respective Affiliates or Subsidiaries keep, true, complete and accurate books and records of all of their respective operations and activities with respect to the Igor 4 Property, including the mining and production of Minerals therefrom and the mining, treatment, processing, milling, concentrating and transportation of Minerals. PPX shall permit, and shall procure that PPX and PPX's respective Affiliates or Subsidiaries permit, RIVI and its authorized representatives to perform inspections, audits or other reviews and examinations of PPX and its Affiliates and Subsidiaries books and records, relevant to the production and delivery of gold from the Igor 4 Property upon reasonable notice to PPX and at reasonable times, but not less frequently than quarterly, to confirm compliance with the terms of this Agreement. RIVI shall diligently complete any audit or other examination permitted hereunder. The expenses of any audit or other examination permitted hereunder shall be paid by RIVI, unless the results of such audit or other examination permitted hereunder discloses an understatement in the amount of gold mined produced, extracted or otherwise recovered from the Mining Properties of more than one percent (1%) between the books and records reviewed by RIVI and the quantity of such gold reported in any Monthly Report or Annual Report, in which event the reasonable costs of such audit or other examination shall be paid by PPX.
- (c) PPX shall procure preparation of technical reports on the Igor 4 Property in accordance with the NI 43-101 as and when required by laws applicable to PPX or its Affiliates or Subsidiaries and, at the written request of RIVI, shall provide to RIVI or assist RIVI to obtain:
  - (i) copies of any technical reports, qualified persons consents, qualified persons certificates or other technical data, records or information pertaining to the Igor 4 Property in the possession or control or prepared at the request of PPX or its Affiliates or Subsidiaries; and
  - (ii) at RIVI's cost such other scientific and technical information as RIVI certifies as being necessary to permit RIVI to:
    - (A) prepare a technical report on the Igor 4 Property in accordance with the NI 43-101; and
    - (B) comply with RIVI's disclosure obligations under applicable securities laws.

## **12. Conduct of Operations**

- (a) PPX shall ensure that it, and PPX's respective Affiliates or Subsidiaries each carry out and perform all mining operations and activities pertaining to or in respect of the Igor 4

Property in a commercially prudent manner and in accordance with all applicable laws, all applicable licenses, permits and other authorizations and good mining, processing, engineering and environmental practices prevailing in the mining industry in Canada. In addition, PPX shall ensure, and shall ensure that PPX and PPX's respective Affiliates and Subsidiaries ensure, that all cut-off grade, short term mine planning, long term mine planning and production decisions concerning the Igor 4 Property shall include gold and silver price estimates typical of normal industry practice.

- (b) Subject at all times to the workplace rules and supervision of PPX and its Affiliates or Subsidiaries, and provided any rights of access do not interfere with any exploration, development, mining or processing work conducted such properties, PPX grants, and shall procure that PPX and PPX's respective Affiliates or Subsidiaries grant, to RIVI and its officers, employees and representatives, at reasonable times and upon reasonable notice and at RIVI's sole risk and expense, the right to access those properties (including but not limited to the Igor 4 Property) of PPX in respect of which the ore and other material is processed at the Processing Plant, any facility owned or operated by PPX or its Affiliates or Subsidiaries where ore or other materials in relation to the Metal Stream are milled, processed, refined or smelted by PPX or its Affiliates or Subsidiaries or their respective personnel, including without limitation any Processing Plant owned by PPX, its Affiliates or Subsidiaries, in each case to monitor the gold mining and processing operations on such properties and any Processing Plant.
- (c) PPX shall ensure that PPX and PPX's respective Affiliates or Subsidiaries shall, at all times during the term of this Agreement do and cause to be done all things necessary to maintain their corporate existence.
- (d) PPX shall and shall procure that PPX and PPX's and respective Affiliates or Subsidiaries shall at all times during the term of this Agreement do all things necessary to maintain the Mining Properties in good standing, including paying all taxes, fees or assessments owing in respect thereof. PPX shall not, and shall procure that PPX and PPX's respective Affiliates or Subsidiaries shall not, do anything that would make the Mining Properties or any part liable to forfeiture, other than any compulsory forfeiture or surrender required under the law governing the Mining Properties or the conditions upon which the Mining Properties were granted. Except as is permitted by Section 14(e), PPX, its Affiliates or Subsidiaries shall not abandon any of Projects or the Mining Properties or allow or permit any of the Mining Properties to lapse, other than as required under applicable law, unless PPX provides evidence satisfactory to RIVI, acting reasonably, that it is not economical to mine Minerals from the Mining Property that it proposes to abandon or let lapse.

### 13. Confidentiality

- (a) Each Party (a "**Receiving Party**") agrees that it shall maintain as confidential and shall not disclose, and shall cause its Affiliates, Subsidiaries, employees, officers, directors, agents and representatives to maintain as confidential and not to disclose, the terms contained in this Agreement or the Security or the Guarantees and all information (whether written, oral or in electronic format) received or reviewed by it as a result of or in connection with this Agreement or the Security or the or the Guarantees ("**Confidential Information**"), except in the following circumstances:
  - (i) a Receiving Party may disclose Confidential Information to its auditors, legal counsel, lenders, brokers, underwriters and investment bankers, provided that such

persons are advised of the confidential nature of the confidential information, undertake to maintain the confidentiality of it and are strictly limited in their use of the confidential information to those purposes necessary for such persons to perform the services for which they were, or are proposed to be, retained by the Receiving Party;

- (ii) subject to Section 21(k) of this Agreement, a Receiving Party may disclose Confidential Information where that disclosure is necessary to comply with any applicable law or court order, its disclosure obligations and requirements under any securities law, rules or regulations or stock exchange listing agreements, policies or requirements or in relation to proposed credit arrangements, provided that the proposed disclosure is limited to factual matters and that the Receiving Party will have availed itself of the full benefits of any laws, rules, regulations or contractual rights as to disclosure on a confidential basis to which it may be entitled, including redacting all proprietary, structural or other confidential information prior to filing any material contract;
  - (iii) for the purposes of any proceeding commenced under Section 20 of this Agreement;
  - (iv) where such information is already public knowledge other than by a breach of the confidentiality terms of this Agreement or is known by the Receiving Party prior to the entry into of this Agreement or obtained independently of this Agreement and the disclosure of such information would not breach any other confidentiality obligations;
  - (v) with the approval of the disclosing Party;
  - (vi) to those of its Affiliates, agents and representatives who need to have knowledge of the Confidential Information; and
  - (vii) if necessary or commercially desirable to an existing or bona fide proposed or prospective purchaser of, directly or indirectly, the rights under this Agreement or of the Mining Properties.
- (b) Each Party shall ensure that its Affiliates, Subsidiaries, employees, directors, officers, advisors, agents, representatives and those persons listed in Section 13(a)(i) of this Agreement, where applicable, are made aware of this Section 13 and comply with the provisions of this Section 13. Each Party shall be liable to the other Party for any improper use or disclosure of such terms or information by such persons. In addition, each Party has the right to pursue causes of action or other acts against such persons.

#### **14. Assignment**

- (a) During the term of this Agreement neither PPX nor its Affiliates or Subsidiaries shall sell, transfer, assign, mortgage, charge, grant a right, title or interest in or to, grant or allow to exist an Encumbrance other than a Permitted Encumbrance in respect of, the whole or any part of its rights and obligations under this Agreement or the Secured Convertible Debenture unless RIVI shall have consented thereto in writing.

- (b) The obligations of PPX and its Affiliates or Subsidiaries under this Agreement shall run with and be attached to the Igor 4 Property and may not be transferred, sold, assigned or otherwise alienated without the consent of RIVI except in accordance with Section 14(c) of this Agreement.
- (c) PPX and its Affiliates or Subsidiaries may not, and PPX shall procure that PPX and PPX's respective Affiliates or Subsidiaries do not, sell, transfer or assign all or any part of its right, title, estate or interest in any of its assets or shares of Sienna or any other Affiliate that has a direct or indirect interest in the Mining Properties to a third party purchaser, transferee or assignee unless RIVI has given its prior written consent which consent may be withheld in its unfettered discretion except where the Projects are being sold in their entirety in which case RIVI's consent may not be unreasonably withheld where:
  - (i) RIVI is satisfied on reasonable grounds that such person has the financial, operational and technical capability to observe and perform the covenants, agreements and obligations of PPX under this Agreement; and
  - (ii) that person enters into a deed of assignment and assumption whereby that person agrees:
    - (A) to be bound by and subject to the terms of this Agreement applicable to PPX as if it were named as a party to this Agreement; and
    - (B) to assume, observe, perform and be bound by all of the terms, covenants and obligations under this Agreement or PPX.
- (d) RIVI shall not sell, transfer or assign all or any part of its interest in this Agreement (including the Metal Stream) to any purchaser, transferee or assignee unless such person:
  - (i) shall have the financial capability to observe and perform the covenants, agreements and obligations of RIVI under this Agreement; and
  - (ii) agrees in writing in favour of PPX to be bound by and subject to the terms of this Agreement.
- (e) Notwithstanding anything herein to the contrary, PPX and its Affiliates or Subsidiaries may sell, transfer, mortgage, assign, and/or joint venture all or any part of its right, title, estate or interest in the Mining Properties (other than the Igor 4 Secured Property) to a third party purchaser, transferee, mortgagee or assignee with RIVI's prior written consent which consent may not be unreasonably withheld, delayed or conditioned.

## **15. Right to Future Streams/Right of First Refusal**

- (a) If, at any time within five years from the Effective Date, and provided that RIVI is not in default of its obligations hereunder, any of PPX or its Affiliates or Subsidiaries receives a bona fide offer from a third party to enter into an arrangement to purchase gold or silver or relating to the granting of a royalty or similar right with respect to, or including, gold or silver:
  - (i) produced from the Mining Properties,

- (ii) based upon the production of gold or silver from any such concession, property or project (“**Future Gold or Future Silver**”), pursuant to an arrangement or agreement that is similar to or otherwise leads to a similar commercial result to the purchase and sale of gold and silver as contemplated in this Agreement (a “**Third Party Offer**”) (either including or excluding the arrangements relating to the Funding Amount), and PPX or the relevant Affiliate or Subsidiary is willing to accept that Third Party Offer;
  - (iii) PPX shall give written notice to RIVI of the terms and conditions of the Third Party Offer;
  - (iv) RIVI may, within fourteen (14) days from the date of delivery to RIVI of such notice, offer to purchase the Future Gold or Future Silver that is the subject to the Third Party Offer on no less favourable terms and conditions than the Third Party Offer; and
  - (v) PPX shall accept, and, if applicable, shall cause PPX or the relevant Affiliate or Subsidiary to accept, the offer of RIVI in preference to the Third Party Offer.
- (b) Without prejudice to the binding nature of the agreement between PPX and RIVI, which binding agreement shall come into existence on the date on which PPX or the relevant Affiliate or Subsidiary accepts RIVI’s offer pursuant to Section 15(a)(v) of this Agreement, PPX, or the relevant Affiliate or Subsidiary and RIVI shall enter into a written agreement on the terms and conditions set forth in the Third Party Offer, within thirty (30) days following the date on which RIVI makes an offer pursuant to Section 15(a)(iv) of this Agreement.
- (c) If RIVI does not offer to purchase Future Gold or Future Silver that is the subject of a Third Party Offer pursuant to Section 15(a)(iv) of this Agreement, then PPX, or the relevant Affiliate or Subsidiary shall be free to sell such Future Gold or Future Silver to the relevant third party pursuant to the Third Party Offer. In the event that PPX or the relevant Affiliate or Subsidiary and the third party have not entered into a written agreement pertaining to such Third Party Offer within thirty (30) days of the expiry of the fourteen (14) day period set forth in Section 15(a)(iv) of this Agreement, PPX or the relevant Affiliate or Subsidiary shall be required to comply with the terms of this Section 15 with respect to that Third Party Offer before selling such Future Gold or Future Silver to the relevant third party.
- (d) Without limiting Section 15(c) of this Agreement, neither PPX nor its relevant Affiliates or Subsidiaries shall sell or otherwise dispose of any Minerals mined, produced or otherwise recovered from the Mining Properties pursuant to any arrangement which is similar in nature or purpose to the purchase and sale of gold and silver contemplated by this Agreement, without the prior written consent of RIVI, which consent may not be unreasonably withheld.

## 16. **Right of First Refusal on Sale of RIVI’s Interest**

- (a) If at any time after the Effective Date, and provided that PPX is not in default of its obligations hereunder, RIVI receives a bona fide offer from a third party to enter into an arrangement to sell or transfer all or any part of RIVI’s interest in this Agreement (including the Metal Stream and the Stream Account) (a “**RIVI Third Party Offer**”), and RIVI is willing to accept that RIVI Third Party Offer:

- (i) RIVI shall give written notice to PPX of the terms and conditions of the RIVI Third Party Offer;
  - (ii) PPX may, within fourteen (14) days from the date of delivery to PPX of such notice, offer to purchase the interest that is the subject to the Third Party Offer on no less favourable terms and conditions than the RIVI Third Party Offer; and
  - (iii) RIVI shall accept the offer of PPX in preference to the RIVI Third Party Offer.
- (b) Without prejudice to the binding nature of the agreement between RIVI and PPX, which binding agreement shall come into existence on the date on which RIVI accepts PPX's offer pursuant to Section 16(a)(iii) of this Agreement, RIVI and PPX shall enter into a written agreement on the terms and conditions set forth in the RIVI Third Party Offer, within thirty (30) days following the date on which PPX makes an offer pursuant to Section 16(a)(iii) of this Agreement.
- (c) If PPX does not offer to purchase the interest that is the subject of a RIVI Third Party Offer pursuant to Section 16(a)(iii) of this Agreement, then RIVI shall be free to sell such interest to the relevant third party pursuant to the RIVI Third Party Offer. In the event that RIVI has not entered into a written agreement pertaining to such RIVI Third Party Offer within thirty (30) days of the expiry of the fourteen (14) day period set forth in Section 16(a)(iii) of this Agreement, RIVI shall be required to comply with the terms of this Section 16 with respect to that RIVI Third Party Offer before selling such interest.

## 17. Guarantee and Security

- (a) In consideration of RIVI entering into this Agreement and the Secured Convertible Debenture for the benefit of PPX, PPX will procure that each of PPX's Affiliates and Subsidiaries unconditionally and irrevocably guarantees to RIVI the due payment and performance by PPX of all of PPX's obligations under this Agreement, the Secured Convertible Debenture and the Security Documents substantially on the terms of the Deed of Guarantee in Schedule "F" of the Original GPA (the "**Guarantee**").
- (b) Each Guarantee will provide that, *inter alia*, it:
- (i) is an absolute, unconditional, irrevocable and continuing guarantee of all of PPX's obligations and covenants under this Agreement, the Secured Convertible Debenture and the Security; and
  - (ii) shall not be discharged or terminated by any act, omission or circumstance which may otherwise discharge it, except:
    - (A) by performance in full of PPX's obligations and covenants under this Agreement, the Secured Convertible Debenture and the Security;
    - (B) where PPX and respective Affiliates or Subsidiaries sells, transfers or otherwise disposes of the Projects in their entirety in accordance with Section 14(c) of this Agreement; or
    - (C) by the express written agreement of RIVI, following which PPX and each of PPX's respective Affiliates and Subsidiaries will be discharged and

released from their obligations under the Guarantees and in respect of this Agreement, the Secured Convertible Debenture and the Security.

- (c) RIVI shall not be bound or obliged to exhaust its recourse against PPX before being entitled to demand the satisfaction of PPX's obligations or covenants by PPX and/or each of PPX's respective Affiliates and Subsidiaries under a Guarantee.
- (d) PPX shall enter into and shall procure that its Affiliates and Subsidiaries enter into and deliver to RIVI the amendments to Security, each in a form and substance reasonably acceptable to RIVI as promptly as practical after the date hereof.
- (e) The Security shall terminate in accordance with Section 3(h) of this Agreement and be formally released and discharged within a commercially reasonable period thereafter.
- (f) RIVI agrees to subordinate its security interest in the Mining Properties (other than any security interest over the Igor 4 Secured Property) created under the Security Documents to any Person to which PPX wishes to grant an interest in the Mining Properties (other than the Igor 4 Secured Property) provided that such Person enters into a subordination agreement which is in a form acceptable to RIVI.
- (g) RIVI may cause, at PPX's expense, the due registration of the Security on any relevant register of security interests in Peru and British Columbia and any other relevant jurisdiction and against the title to the Mining Property in any applicable public registry in Peru, and PPX shall, and shall procure PPX and PPX's respective Affiliates and Subsidiaries shall, co-operate with such registration and provide its written consent or signature to any documents or things reasonably necessary to accomplish such registration.
- (h) RIVI must, following the date for termination of the Security, make all necessary applications and lodge all required documentation to effect the discharge, release and deregistration of the Security from any relevant register of security interests with which the Security is registered.
- (i) PPX agrees and shall procure that PPX and PPX's respective Affiliates and Subsidiaries agree that RIVI may lodge a copy of this Agreement on any register maintained for the purpose of registering this Agreement against the title of the Mining Properties and, to the extent it is permitted to do so under applicable legislation (whether with or without the consent of PPX), register or lodge a caveat over the Mining Properties and PPX shall, and shall procure that PPX and PPX's respective Affiliates and Subsidiaries shall, co-operate with such registration or lodgment and provide its written consent or signature to any documents or things reasonably necessary to accomplish such registration or lodgment.
- (j) PPX agrees and shall procure that PPX and PPX's respective Affiliates and Subsidiaries agree that RIVI may lodge a copy of this Agreement for the purpose of registering this Agreement and PPX shall, and shall procure that PPX and PPX's respective Affiliates and Subsidiaries shall co-operate with such registration and provide its written consent or signature to any documents or things reasonably necessary to accomplish such registration.
- (k) Upon request, PPX shall, at its expense, as promptly as practical, execute and deliver to RIVI the Security, the Security Documents, any amendments thereto or any other documents, agreements and instruments (and cause each of its Affiliates and Subsidiaries, as applicable, to take such action) in compliance with this Agreement or the Secured

Convertible Debenture or to perfect, protect or preserve any Encumbrance created or intended to be created pursuant to the Security or the Security Documents or to make any recordings, to file any notices, or obtain any consents, all as may be necessary or appropriate in connection therewith, in the judgement of RIVI, acting reasonably.

## 18. Representations, Warranties and Indemnities

- (a) Subject to the information and disclosures set out in the documents identified in Schedule "D" to this Agreement, PPX, acknowledging that RIVI is entering into this Agreement in reliance thereon, represents and warrants to RIVI as follows:
- (i) each of PPX, its Affiliates and Subsidiaries is a company duly incorporated and validly existing and in good standing under the laws of its incorporating jurisdiction and is up to date in respect of all filings required by law;
  - (ii) all requisite corporate acts and proceedings have been done and taken by each of PPX, its Affiliates and Subsidiaries, including obtaining all requisite board of directors' approval (when applicable), with respect to entering into this Agreement, the Security Documents, the Secured Convertible Debenture and the Guarantees and performing its obligations hereunder and thereunder;
  - (iii) each of PPX, its Affiliates and Subsidiaries has the requisite corporate power, legal capacity and possesses all necessary authorities to enter into this Agreement, the Secured Convertible Debenture, the Security, the Guarantees and to perform its obligations hereunder and thereunder;
  - (iv) this Agreement, the Security Documents, the Guarantees, the Secured Convertible Debenture and the exercise of its rights and performance of its obligations hereunder and thereunder do not and will not, (1) conflict with any agreement, mortgage, bond or other instrument to which any of PPX, its Affiliates or Subsidiaries is a party or which is binding on any of PPX's, its Affiliates' or Subsidiaries' assets except as disclosed in writing to RIVI prior to the date of this Agreement, (2) conflict with its constituting or constitutive documents, or (3) conflict with or violate any applicable law or the rules of any applicable stock exchange;
  - (v) no regulatory or third party consents or approvals are required to be obtained by any of PPX, its Affiliates or Subsidiaries in connection with the execution and delivery or the performance by it of this Agreement, the Security Documents, the Secured Convertible Debenture or the Guarantees or the transactions contemplated hereby or thereby, other than the approval of the TSX;
  - (vi) each of this Agreement, the Security Documents, the Secured Convertible Debenture and the Guarantees has been duly and validly executed and delivered by each of PPX, its Affiliates and Subsidiaries, as applicable, and constitutes its legal, valid and binding obligation, enforceable against each of PPX, its Affiliates and Subsidiaries, as applicable, in accordance with its terms;
  - (vii) other than the rights created under this Agreement and the Permitted Encumbrances, no person has any agreement, option, right of first refusal or right, title or interest or right capable of becoming an agreement, option, right of first

refusal or right, title or interest, in or to the Mining Properties, the gold or Minerals mined, produced, extracted or otherwise recovered from the Mining Properties or any other assets of PPX or its Affiliates or Subsidiaries;

- (viii) the authorized share capital of Sienna consists of 1,000 common shares, of which 999 common shares are issued and outstanding and registered in the name of PPX;
- (ix) Sienna is the sole legal and beneficial holder of the Mining Properties;
- (x) Sienna has all necessary corporate power to be the registered or recorded holder of the Mining Properties;
- (xi) Sienna is the registered or recorded owner of all legal and beneficial right, title and interest in and to the Mining Properties free of Encumbrances other than the Permitted Encumbrances;
- (xii) subject to this Agreement, no other person has a right to become a legal or beneficial holder of any interest in the Mining Properties;
- (xiii) Schedule "A" to this Agreement sets forth all of the mining concessions owned by PPX and its Affiliates and Subsidiaries in respect of the Projects as of the Effective Date;
- (xiv) Sienna is the sole legal and beneficial owner of all of the moveable assets used in connection with the Mining Properties and the Projects and all Minerals derived from them;
- (xv) other than the Permitted Encumbrances, no Encumbrances have been registered or recorded or granted directly against title to the Mining Properties or the other assets of PPX and its Affiliates and Subsidiaries;
- (xvi) PPX and its Affiliates and Subsidiaries have paid all taxes, fees, assessments or other amounts required to keep the Mining Properties in good standing;
- (xvii) the Mining Properties are free from claims or interests (including finder's fee or royalty arrangements) of any other third person or corporation, other than the existing royalties in place today;
- (xviii) to the best of its knowledge and belief, the Mining Properties do not contain any significant cultural site or historical preservation site or, if they do, it is in compliance with all applicable laws relating to such site;
- (xix) the permits and agreements with respect to Mining Properties currently held by PPX or its Affiliates are in full force and effect in accordance with their terms and the provisions of the applicable mining legislation, and all conditions and obligations relating to such permits and agreement have been complied with or performed;
- (xx) PPX and its Affiliates and Subsidiaries have complied in all material respects with all requirements imposed by all relevant laws applying to the Mining Properties including but not limited to all applicable environmental laws;

- (xxi) there are no factors affecting any of the Mining Properties which will, or are reasonably likely to, give rise to any material liability for PPX or its Affiliates and Subsidiaries under, or arising from any act or omission of PPX or its Affiliates and Subsidiaries from a breach of, or non-compliance with, any applicable laws;
- (xxii) there has been no breach of applicable law or the existence of any proposal by any government or regulatory authority, or of any disputes or questions outstanding with any such authority, relating to the Mining Properties or the Projects which would adversely affect the Mining Properties or the Projects;
- (xxiii) there are no circumstances affecting the Mining Properties which could adversely affect the rights of RIVI under this Agreement;
- (xxiv) all information provided by it and its representatives to RIVI in respect of the Mining Properties was true and correct in all material respects at the time of provision and no material information or knowledge has been withheld by it;
- (xxv) it has disclosed all information which a prospective investor in RIVI's position would reasonably require for the purpose of making a decision whether or not to enter into this Agreement;
- (xxvi) all authorisations required for the development and operation of the Projects have been obtained, have not been breached and have been maintained in good standing;
- (xxvii) there are no outstanding, pending or, to its knowledge threatened litigation, arbitration, administrative actions, prosecution, suits, proceedings, investigations, claims or other legal proceedings affecting or in respect of the Mining Properties, the Projects or any other of the assets or property of PPX or its Affiliates or Subsidiaries. No other material assets or properties are subject to any outstanding judgment, order, writ, injunction or decree that limits or restricts or may restrict or restrict PPX or its Affiliates and Subsidiaries from performing, fulfilling and satisfying their respective covenants and obligations under this Agreement;
- (xxviii) PPX and its Affiliates and Subsidiaries have made available to RIVI all material information in their control or possession relating to the mineralization or potential mineralization of the Mining Properties;
- (xxix) immediately prior to the Time of Delivery and subject to RIVI's rights to the Security under this Agreement:
  - (A) PPX or an Affiliate will be the legal and beneficial owner of the Refined Metals delivered and credited to the metal account of RIVI;
  - (B) PPX or an Affiliate will have good, valid and marketable title to such Refined Metals; and
  - (C) such Refined Metals will be free and clear of all Encumbrances;
- (xxx) no Insolvency Event has occurred in relation to PPX or any of its Affiliates and Subsidiaries;

- (xxxi) PPX and its Affiliates and Subsidiaries have each complied with their obligations under any applicable laws and the rules of any applicable stock exchange in all material respects; and
- (xxxii) each forecast provided by, or on behalf of, PPX or its Affiliates and Subsidiaries to RIVI:
  - (A) was made after due and careful consideration by its author;
  - (B) was based on information which the author reasonably believed was reliable;
  - (C) is fair and reasonable in the circumstances prevailing at the time the forecast or projection was made and in the light of the assumptions made;
  - (D) was based on assumptions that were fair and reasonable in the context of the forecast or projection; and
  - (E) was prepared in accordance with the same accounting policies that were applied in the preparation of the PPX group's accounts, and it is not aware of any fact or circumstance which may require a material adverse revision of any forecast or projection provided to RIVI.
- (b) RIVI, acknowledging that the other Parties are entering into this Agreement in reliance thereon, hereby represents and warrants to the other Parties as follows:
  - (i) it is a limited partnership duly established and validly existing under the laws of the State of California and is up to date in respect of all filings required by law;
  - (ii) all requisite acts and proceedings have been done and taken by it, including obtaining all requisite board of directors' approval, with respect to entering into this Agreement and performing its obligations hereunder;
  - (iii) it has the requisite power and authority to enter into this Agreement and to perform its obligations hereunder;
  - (iv) this Agreement and the exercise of its rights and performance of its obligations hereunder do not and will not (1) conflict with any agreement, mortgage, bond or other instrument to which it is a party or which is binding on its assets, (2) conflict with its constituting or constitutive documents, or (3) conflict with or violate any applicable law;
  - (v) to the best of its knowledge, no regulatory or third party consents or approvals are required to be obtained by it in connection with the execution and delivery or the performance by it of this Agreement or the transactions contemplated hereby;
  - (vi) this Agreement has been duly and validly executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms; and

- (vii) it has not made an assignment for the benefit of creditors or is the voluntary or involuntary subject of any proceedings under any bankruptcy or insolvency law, no receiver or receiver/manager has been appointed for all or any substantial part of its assets or business and its corporate existence has not been terminated by voluntary or involuntary dissolution or winding up (other than by way of amalgamation or reorganization) and it is not now aware of any circumstance which, with notice or the passage of time, or both, would give rise to any of the foregoing.
- (c) The warranties given by PPX under Sections 18(a)(i) through (vi) and (xxx) and by RIVI under Section 18(b) of this Agreement are made on the date of this Agreement and are taken to be repeated on the date on which Refined Metals are delivered to RIVI under this Agreement.
- (d) Each Party (“**Relying Party**”) acknowledges and agrees that:
  - (i) Another Party (“**Warrantor**”) giving a warranty under Section 18(a) or 18(b) (as applicable) of this Agreement has disclosed against the warranties given by that Warrantor (“**Warranties**”), and that the Relying Party is aware of, or will be deemed to be aware of, the following:
    - (A) information disclosed in this Agreement; and
    - (B) information disclosed in a document identified in Schedule “D” to this Agreement.
  - (ii) The Warranties are given subject to the disclosures or deemed disclosures in Section 18(d) of this Agreement.
  - (iii) The Warrantor will not have any liability under the Warranties to the extent that disclosure is made or deemed to have been made under this Section 18(d) of this Agreement.
  - (iv) The Relying Party must not make a claim for breach of a Warranty, and it will not be a breach of a Warranty, if the information giving rise to that claim for breach of the Warranty is disclosed or deemed to be disclosed under Section 18(d) of this Agreement.
  - (v) Any forecast information, projected information, business plans or budget information relating to a future matter that is the subject of a Warranty is predictive in nature, is based on certain assumptions which may vary or prove to be inaccurate, and is subject to variation resulting from external influences and risks.
- (e) PPX agrees to indemnify and save harmless RIVI and its directors, officers, employees, Affiliates and agents from and against any and all damages, claims, losses, liabilities, fines, penalties and expenses (including legal fees) suffered or incurred by any of the foregoing persons in connection with:
  - (i) any inaccuracy in or default or breach of any representation or warranty of PPX contained in this Agreement or in the Secured Convertible Debenture;

- (ii) any breach or non-performance by PPX or a Guarantor of any covenant to be performed by PPX or a Guarantor pursuant to this Agreement, the Security, the Secured Convertible Debenture or the Guarantees; or
  - (iii) the enforcement of the Security, save to the extent any damages, claims, losses, liabilities, fines, penalties and expenses are incurred or arise from any fraud or gross negligence on the part of RIVI, and this Section 18(e) of this Agreement shall survive the termination of this Agreement.
- (f) RIVI agrees to indemnify and save harmless PPX and its directors, officers, employees, Affiliates and agents from and against any and all damages, claims, losses, liabilities, fines, penalties and expenses (including legal fees) suffered or incurred by any of the foregoing persons in connection with:
- (i) any inaccuracy in or default or breach of any representation or warranty of RIVI contained in this Agreement; or
  - (ii) any breach or non-performance by RIVI of any covenant to be performed by it pursuant to this Agreement, save to the extent any damages, claims, losses, liabilities, fines, penalties and expenses are incurred or arise from any fraud or gross omission on the part of PPX, and this Section 18(f) of this Agreement shall survive the termination of this Agreement.
- (g) Where any representation or warranty contained in this Agreement is expressly qualified by reference to the “knowledge” of a Party, it shall be deemed to refer to the actual knowledge of any director or officer of that party, and all knowledge which such persons would have if such person made due enquiry into the relevant subject matter having regard to the role and responsibilities of such person as a director or officer of that party.

## 19. Undertakings

During the term of this Agreement PPX must and must procure that PPX’s Affiliates and Subsidiaries must:

- (a) obtain and maintain in good standing and in full force and effect all regulatory authorisations required for:
  - (i) the development and operation of the Igor 4 Property and any Processing Plant owned by it; and
  - (ii) the performance of the transactions contemplated by this Agreement; and complies with their terms in all material respects;
- (b) comply in all material respects with all requirements imposed by all relevant laws, including all environmental laws, applying to the Mining Properties and the Projects;
- (c) maintain its separate corporate existence;
- (d) not carry on any business other than:
  - (i) the development and operation of the Projects; and

- (ii) the performance of the transactions contemplated by this Agreement; and
- (iii) sales of gold on arms-length open market terms;
- (e) except as is permitted by Section 14(e), not dispose of any of its assets, except sales or gold in the ordinary course of its ordinary business consistent with sales contemplated by this Agreement;
- (f) not create or grant or cause or permit to be registered or recorded any Encumbrance, other than a Permitted Encumbrance, against:
  - (i) titles to the Mining Properties; or
  - (ii) any of the assets of PPX, its Affiliates or Subsidiaries subject to the Security; or
  - (iii) Minerals derived from the Projects; or
  - (iv) any shares in the capital of any Affiliate or Subsidiary of PPX,or any other material assets within the Mining Properties nor create, grant or cause or permit to arise any third party interest in any of them;
- (g) keep and maintain its assets in a good state of repair and in good working order (fair wear and tear excepted) and operate the Projects in accordance with the standard of skill and care, practices, methods reasonably and ordinarily expected from a skilled and experienced mining company in-Peru;
- (h) maintain insurance in respect of its business and assets with reputable insurers on such terms, against such risks and for such amounts as reputable mining companies in Peru normally insure;
- (i) keep and maintain proper books and records of all its business and activities;
- (j) procure that all gold derived from the Igor 4 Property is refined with a reputable refiner;
- (k) promptly on request do all such acts or execute all such documents as RIVI considers necessary or desirable to give effect to this Agreement, the Security, the Guarantees, the Secured Convertible Debenture or the transactions contemplated by them;
- (l) permit RIVI and its agents from time to time to inspect the mine and the books and records of its business activities.

## 20. Expert Determination

- (i) In this Section 20:
- (ii) “**Financial Matter**” means a matter which is capable of determination by audit or reference to financial or accounting records, knowledge or practice;
- (iii) “**Independent Expert**” means an expert independent of the Parties appointed under and for the purposes of this Section 20; and

- (iv) “**Technical Matter**” means a matter which is capable of determination by reference to mining knowledge or practice.
- (a) Wherever under this Agreement:
  - (i) the Parties agree that a dispute between them will be resolved by an Independent Expert; or
  - (ii) a dispute is required by this Agreement to be determined by an Independent Expert, then the dispute (“**Dispute**”) may be referred by either Party to an Independent Expert under this Section 20.
- (b) The procedure for the appointment of an Independent Expert will be as follows:
  - (i) the Parties must endeavour in good faith to agree upon the identity of a single Independent Expert to whom the Dispute will be referred for determination as soon as is reasonably practicable;
  - (ii) if the Parties are unable to agree upon the identity of a single Independent Expert within five 5 Business Days, the Parties agree that, as soon as practicable thereafter, the Independent Expert shall be appointed by the ICC International Centre for ADR in accordance with the Rules for the Appointment of Experts and Neutrals of the International Chamber of Commerce; and
  - (iii) within ten (10) Business Days of appointment, the Independent Expert must set a time and place for receiving the Parties’ submissions.
- (c) The Independent Expert will be required to have appropriate commercial and practical experience and expertise in the area of the Dispute.
- (d) Any person nominated to act as an Independent Expert will be required to fully disclose any interest or duty prior to that person’s appointment. If that person has or may have any interest or duty which conflicts with their appointment as Independent Expert, then that person may not be appointed except with the agreement of all Parties to the Dispute.
- (e) Any person nominated to act as an Independent Expert must, before they are appointed, confirm in writing that they are able to resolve the Dispute within a reasonable time.
- (f) The Independent Expert appointed under this Section 20 will act as an expert and not as an arbitrator.
- (g) Each Party:
  - (i) may be legally represented at any hearing before the Independent Expert (which, for the avoidance of doubt and unless agreed otherwise between the Parties, shall be held in Vancouver, British Columbia);
  - (ii) is entitled to produce to the Independent Expert any materials or evidence which that Party believes is relevant to the Dispute; and

- (iii) must make available to the Independent Expert all materials requested by the Independent Expert and all other materials which are relevant to the Independent Expert's determination.
- (h) Unless otherwise agreed by the Parties involved in the determination by the Independent Expert, all material and evidence made available for the purposes of the determination must be kept private and confidential.
- (i) Should a Dispute arise concerning satisfaction of the Project Milestones, the Independent Expert must make a determination on the Dispute within twenty-one (21) Business Days of appointment.
- (j) Subject to Section 20(i), the Independent Expert must make a determination on the Dispute within thirty (30) Business Days of appointment (or other period as mutually agreed between the Parties) and must determine what, if any, adjustments may be necessary between the Parties. The determination of the Independent Expert:
  - (i) must be in the form of a written report;
  - (ii) will be final and binding upon the Parties except in the case of bias, fraud, manifest mistake or error; and
  - (iii) will be kept private and confidential unless otherwise agreed to by all Parties involved in the determination.
- (k) If the Independent Expert does not determine the Dispute within thirty (30) Business Days of appointment (or other period as mutually agreed between the Parties), either Party may terminate the appointment by written notice and a new Independent Expert will be appointed within ten (10) Business Days in accordance with the procedure set out in Section 20(b) of this Agreement.
- (l) Unless provided otherwise in this Agreement, the costs in relation to a determination of the Dispute by the Independent Expert will be dealt with as follows:
  - (i) the costs of the Independent Expert will be apportioned between the Parties in such proportions as the Independent Expert thinks fit, otherwise the Parties will each bear their own costs; and
  - (ii) the Parties will each bear their own costs incurred in the preparation and presentation of any submissions or evidence to the Independent Expert.

## **21. General Provisions**

- (a)
  - (i) In the event that a new tax law is enacted, or there shall occur any revision in, implementation of, amendment to or interpretation of any tax law, in each case that has an adverse effect on any of the Parties or any of their Affiliates or Subsidiaries in respect of the transactions contemplated by this Agreement, then the Parties agree that they shall negotiate in good faith with each other to amend this Agreement so that the relevant Party or their respective Affiliates or Subsidiaries

are no longer adversely affected by any such enactment, revision, implementation, amendment or interpretation, as the case may be; provided that any amendment to this Agreement shall not have any material adverse impact on the remaining Parties or their respective Affiliates or Subsidiaries.

- (ii) Without the prior written consent of RIVI, PPX shall not permit the terms and conditions by which the Contractor is engaged to conduct mining operations at the Igor 4 concession to be waived, amended, modified or otherwise altered in any manner that, in the opinion of RIVI, acting reasonably, would alter the economic rights and benefits of the transactions contemplated by this Agreement in a manner that is adverse to RIVI;
  - (iii) If at any time the Contractor ceases to be the contractor in respect of the mining operations at the Igor 4 concession, then the Parties agree that they shall (taking into account the principles described in Section 21(a)(ii)), endeavour to negotiate an amendment to this Agreement to preserve the relative economic benefits to each Party contemplated by this Agreement. For greater certainty, any amendments to this Agreement shall have no effect on the Secured Convertible Debenture which shall remain enforceable against PPX in accordance with its terms, and nothing in this Section 21(a)(iii) shall be deemed to imply an obligation of good faith on either Party.
- (b) Each Party shall execute all such further instruments and documents and do all such further actions as may be necessary to effectuate the documents and transactions contemplated in this Agreement, in each case at the cost and expense of the party requesting such further instrument, document or action, unless expressly indicated otherwise.
  - (c) Nothing herein shall be construed to create, expressly or by implication, a joint venture, mining partnership, commercial partnership, agency relationship, fiduciary relationship, or other partnership relationship between PPX or its respected Affiliates or Subsidiaries and RIVI.
  - (d) This Agreement shall be governed by and construed under the laws of British Columbia. The United Nations Vienna Convention on Contracts for the International Sale of Goods shall not apply to this Agreement. Subject to Section 20 of this Agreement:
    - (i) each Party submits to the non-exclusive jurisdiction of the courts of British Columbia and courts of appeal from them to settle any dispute arising out of or in connection with this Agreement; and
    - (ii) The Parties agree that the courts of British Columbia and courts of appeal from them are the most appropriate and convenient courts to settle any such dispute.
  - (e) A guarantee, warranty, indemnity, representation, covenant or obligation given by two or more persons in this Agreement binds them jointly and severally.
  - (f) Time is of the essence in respect of the performance of obligations under this Agreement.
  - (g) If any provision of this Agreement is wholly or partially invalid or unenforceable in any relevant jurisdiction, this Agreement shall be interpreted as if the invalid or unenforceable provision had not been a part hereof so that the invalidity shall not affect the validity of the

remainder of the Agreement which shall be construed as if the Agreement had been executed without the invalid or unenforceable portion. It is hereby declared to be the intention of the Parties that this Agreement would have been executed without reference to any portion which may, for any reason, hereafter be declared or held invalid or unenforceable.

- (h) Any notice or other communication (in each case, a “**notice**”) required or permitted to be given hereunder shall be in writing and shall be delivered by hand or transmitted by email with read receipt confirmed with such transmission addressed to:
  - (i) If to PPX to:

John Thomas, Interim Chief Executive Officer  
PPX Mining Corp.  
82 Richmond Street East  
Toronto, ON M5C 1P1  
Email: *[Redacted - Personal Information]*
  - (ii) If to RIVI, to:

Mr. Kevin Puil Managing Partner  
RIVI Capital LLC  
301 Battery Street, 2nd Floor  
San Francisco, CA 94111  
Email: *[Redacted - Personal Information]*
- (i) Any notice given in accordance with Section 21(h) of this Agreement:
  - (i) if transmitted by email transmission, shall be deemed to have been received upon confirmation of the read receipt; or
  - (ii) if delivered by hand, shall be deemed to have been received when delivered.
- (j) The schedules, which are attached to this Agreement, are incorporated into this Agreement by reference and are deemed to form part hereof.
- (k) The Parties shall jointly plan and co-ordinate, and shall cause their respective Affiliates and Subsidiaries to jointly plan and co-ordinate, any public notices, press releases, and any other publicity concerning this Agreement and the transactions contemplated by this Agreement and no Party or its Affiliates or Subsidiaries shall act in this regard without the prior approval of the other Party, such approval not to be unreasonably withheld, unless such disclosure is required to meet timely disclosure obligations of any Party or its Affiliates or Subsidiaries under applicable laws or stock exchange rules in circumstances where prior consultation with the other Party is not practicable, and to the extent reasonably practicable, a copy of such disclosure is provided to the other Party at such time as it is made publicly available. RIVI shall maintain the right to remain anonymous unless otherwise prohibited by law, the rules of any applicable stock exchange or as mutually agreed upon.
- (l) Any reference in this Agreement to a statute, a regulation, a rule promulgated under a statute, or any other document, or to any provision contained therein, shall be a reference

to the statute, regulation, rule or provision as may be amended, restated, re-enacted or replaced from time to time.

- (m) This Agreement may not be changed, further amended or modified in any manner, except pursuant to an instrument in writing signed on behalf of each of the Parties.
- (n) Each reference to the “Agreement” or other similar reference in any of the Security Documents and all other agreements, documents and instruments delivered to RIVI pursuant to the Original GPA by all or any one or more of PPX, its Affiliates or Subsidiaries shall mean and be a reference to the Original GPA, as amended and restated by this Agreement on the Amendment Effective Date. The Original GPA, as amended and restated by this Agreement on the Amendment Effective Date, shall remain in full force and effect as amended and restated hereby, and is fully ratified and confirmed in the form of this Agreement.
- (o) The failure by any Party to enforce at any time any of the provisions of this Agreement shall in no way be construed to be a waiver of any such provision unless such waiver is acknowledged in writing, nor shall such failure affect the validity of this Agreement or any part thereof or the right of any Party to enforce each and every provision. No waiver or breach of this Agreement shall be held to be a waiver of any other or subsequent breach.
- (p) The Parties hereby agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting Party shall not be applicable in the interpretation of this Agreement.
- (q) This Agreement may be executed in one or more counterparts, and by the Parties in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.
- (r) This Agreement and the Secured Convertible Debenture constitutes the entire agreement between the Parties with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the Parties with respect thereto.
- (s) This Agreement shall enure to the benefit of and shall be binding on and enforceable by the Parties and their respective successors and permitted assigns.
- (t) In this Agreement:
  - (i) a word or phrase in the singular number includes the plural, a word or phrase in the plural number includes the singular, and a word indicating a gender includes every other gender;
  - (ii) if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
  - (iii) a reference to an agreement, includes any undertaking, deed, agreement and legally enforceable arrangement whether in writing or not, and is to that agreement as varied, novated, ratified or replaced from time to time;

- (iv) a reference to a document includes all amendments or supplements to, or replacements or novations of, that document;
  - (v) a reference to a person includes an individual, the estate of an individual, a corporation, an authority, an unincorporated body, an association or joint venture (whether incorporated or unincorporated), a partnership and a trust; and
  - (vi) the words “includes” or “including” in any form are not words of limitation.
- (u) In this agreement:
- (i) Except where otherwise specified, the currency of account under this document is United States Dollars. Except where otherwise specified, all calculations under this Agreement will be made in United States Dollars.
  - (ii) Unless otherwise required by law, PPX waives and will procure that PPX’s respective Affiliates and Subsidiaries waive, any right it may have in any jurisdiction to pay any amount under this document in a currency other than United States Dollars.
  - (iii) Any amount actually paid or received by PPX or its Affiliates or Subsidiaries in a currency other than United States Dollars will be taken into account as the amount of United States Dollars converted from that currency at the spot rate for the purchase of USD with that currency quoted to RIVI by its principal bank in the United States of America as prevailing at or about 11.00 a.m. (New York time) on the date of the conversion.

Executed as an agreement.

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

---

Signed by **Kevin Puil** as authorized  
signatory for RIVI Opportunities Fund  
LP in the presence of:

*(signed) "John Menzies"*

\_\_\_\_\_  
Signature of witness

*(signed) "Kevin Puil"*

\_\_\_\_\_  
Signature of Kevin Puil

John Menzies

\_\_\_\_\_  
Name of witness (print)

---

Signed by **John Thomas** as authorized  
signatory for PPX Mining Inc.  
in the presence of:

*(signed) "Pompeyo Gallardo"*

\_\_\_\_\_  
Signature of witness

*(signed) "John Thomas"*

\_\_\_\_\_  
Signature of John Thomas

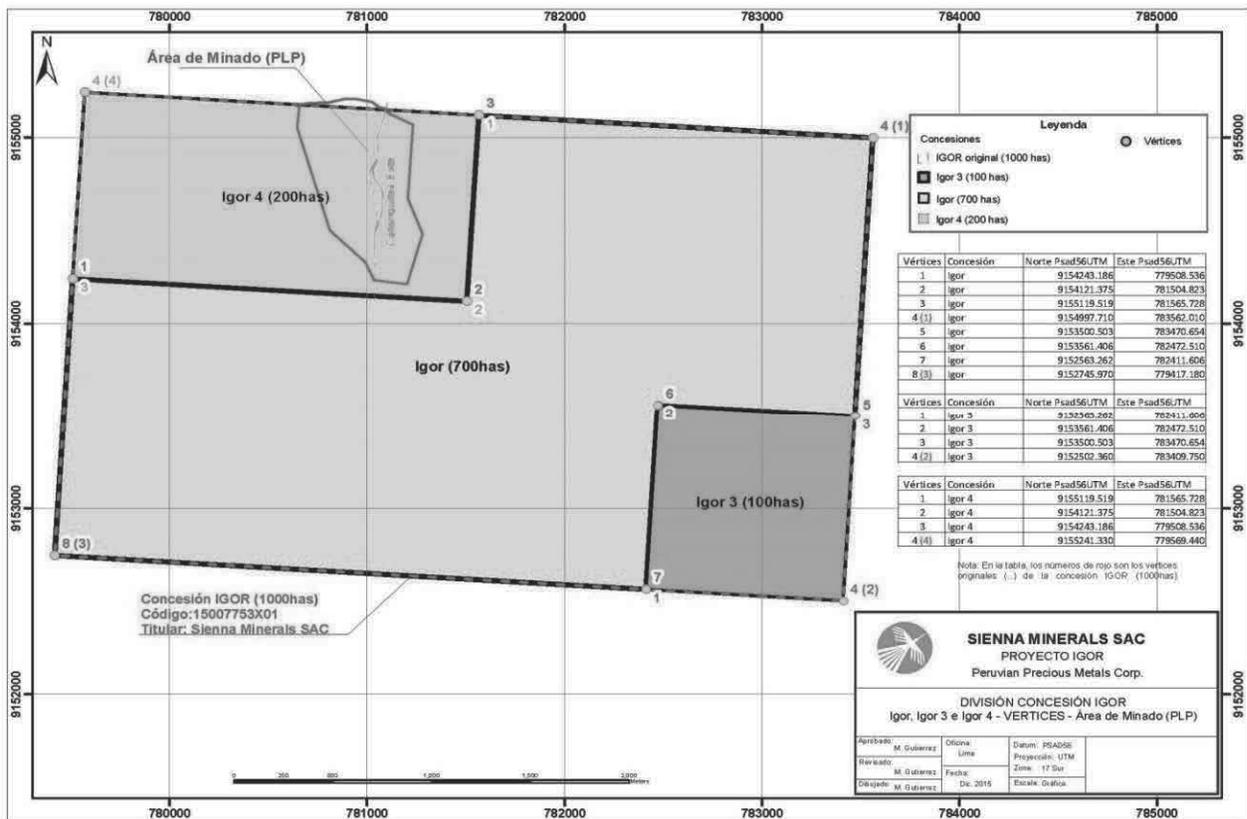
Pompeyo Gallardo

\_\_\_\_\_  
Name of witness (print)

SCHEDULE A

This is Schedule "A" to the Gold and Silver Purchase Agreement

Mining Properties



## SCHEDULE B

This is Schedule "B" to the Gold and Silver Purchase Agreement

### Permitted Encumbrances

1. Existing royalties.
2. Liens for taxes, assessments or governmental charges relating to the Mining Properties incurred in the ordinary course of business that are not yet due and payable or the validity of which is being actively and diligently contested in good faith, in respect of which the relevant company has established on its books reserves considered by its auditors to be adequate therefor and all enforcement proceedings have been stayed.
3. Rights reserved to or vested in any governmental body or regulatory body by the terms of any lease, licence, grant or permit relating to the Mining Properties, or by any statutory provision, to terminate the same or to require annual or other payments as a condition to the continuance thereof.
4. A security interest given to a public utility or any governmental body, when required by such utility or governmental body in connection with the operations of the Mining Properties, which singly or in the aggregate do not materially detract from the value of the Mining Properties or materially impair its use in the operation of the Mining Properties.
5. A security interest granted:
  - (a) over plant and equipment required to operate the Projects to a third party providing finance to acquire such plant and equipment; and
  - (b) to a third party constructing any Processing Plant, provided that RIVI has given its prior written consent to such security interest being granted, such consent not be unreasonably withheld, delayed or conditioned.
6. Any lien or Encumbrance on the Mining Properties permitted under Section 17(f).
7. Any other lien or Encumbrance which RIVI approves (in its unfettered discretion) in writing as a Permitted Encumbrance.
8. The concession assignment agreement with the Contractor, to the extent that it does not encumber the Igor 4 Property.
9. The Security.
10. Security interests created pursuant to the Secured Convertible Debenture.

**SCHEDULE C**

**[Intentionally Omitted]**

## **SCHEDULE D**

1. PPX has an agreement with the Contractor whereby PPX has assigned to the Contractor the Igor 4 mining concession, site of the Callanquitas resource, until the earlier of the date the Contractor extracts 600,000 metric tons of mineralized material or the end of the contract. During the term of the agreement, PPX and the Contractor share the net profits from the mine operations on the Igor 4 concession, at a rate of 70%/30% respectively, up to when the production from the mine reaches 350 tons per day, and 75%/25% thereafter.
2. The Contractor has made a legal claim in Peru against Sienna on an alleged breach of contract, with a claimed amount of US\$657,000. As of the date of this Agreement, the claim is active, although the parties continue to work under their existing contractual relationships and efforts to negotiate a settlement or release are ongoing by both parties.

## SCHEDULE E

Set out below are examples of how “Gross Payable Metals” will be determined under Sections 1(ee)(i)(A) or 1(ee)(ii)(A)(I) or 1(ee)(ii)(B) up to the time of the valid exercise of the Metal Stream Reduction Option. These examples are for illustrative purposes only to provide greater certainty on the means of calculation.

### Example 1

If on a particular day PPX delivers 350 tonnes of ore to the Processing Plant that comes from the Igor 4 Property, and also purchases an additional 400 tonnes of ore or other material from another source, RIVI will be entitled to receive the Agreed Proportion (10%) of the Gross Payable Metals derived from 700 tonnes but nothing on the extra 50 tonnes in excess of 700 tonnes processed on the particular day.

### Example 2

If on a particular day PPX delivers 700 tonnes of ore or material to the Processing Plant that comes from the Igor 4 Property and purchases an additional 400 tonnes of ore from another source, RIVI will be entitled to receive the Agreed Proportion (10%) of the Gross Payable Metals derived from 700 tonnes.

### Example 3

If on a particular day PPX delivers 800 tonnes of ore or material to the Processing Plant all of which comes from the Igor 4 Property, RIVI will be entitled to receive the Agreed Proportion (10%) of the Gross Payable Metals derived from the 800 tonnes since it was all derived from the Igor 4 Property.

### Example 4

If on a given day PPX delivers 900 tonnes of ore or material to the Processing Plant that comes from a source other than the Igor 4 Property, RIVI will be entitled to receive the Agreed Proportion (10%) of the Gross Payable Metals derived from 700 tonnes, but nothing on the additional 200 tonnes.

**SCHEDULE F**

**[Intentionally Omitted]**

**SCHEDULE G**

Form of Secured Convertible Debenture

(see attached)

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT") OR ANY STATE SECURITIES LAWS. THESE SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE 1933 ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (C) WITHIN THE UNITED STATES IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE 1933 ACT PROVIDED BY RULE 144 OR RULE 144A THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND THE HOLDER FURNISHES TO THE CORPORATION AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE CORPORATION. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY UNTIL [NTD: INSERT DATE THAT IS FOUR MONTHS AND A DAY AFTER ISSUE DATE].

WITHOUT PRIOR WRITTEN APPROVAL OF TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL [NTD: INSERT DATE FROM ABOVE LEGEND].

#### 5.00% SECURED CONVERTIBLE DEBENTURE

##### PPX MINING CORP.

a company continued under the laws of the Province of British Columbia  
(hereinafter called the "Corporation")

Date of Issue: [•], 2023  
Interest Rate: 5.00%

Principal Amount: US\$5,399,946  
Certificate Number: D-2023-1

**FOR VALUE RECEIVED**, the undersigned hereby promises to pay to **RIVI OPPORTUNITY FUND LP** (the "**Holder**") at 301 Battery Street, 2<sup>nd</sup> Floor, San Francisco, CA, 94111 USA, on the Maturity Date (as defined herein), or such earlier or later date as the principal sum hereof may become due, subject to and in accordance with the terms, conditions and provisions of the Debenture, on presentation and surrender of this Debenture, the principal sum of **FIVE MILLION THREE-HUNDRED AND NINETY-NINE THOUSAND, NINE-HUNDRED AND FORTY-SIX UNITED STATES DOLLARS (US\$5,399,946)** (the "**Principal Amount**") in accordance with the terms hereof in lawful money of the United States of America and to accrue and pay interest on the Principal Amount outstanding hereunder at such time, or at such other times and in such manner as set out herein, at the rate of 5.00% per annum, subject to adjustment, from the date of this Debenture until full and final payment and discharge hereof, unless otherwise redeemed or the Principal Amount is converted pursuant to the terms of this Debenture.

(remainder of page intentionally left blank)

**ARTICLE ONE  
INTERPRETATION**

**Section 1.01** **Definitions:** In this Debenture, unless there is something in the subject matter or context inconsistent therewith, the below terms shall have the following meanings:

- (a) **"1933 Act"** has the meaning specified in Section 2.14;
- (b) **"Additional Amounts"** shall have the meaning specified in Section 2.11;
- (c) **"Affiliate"** has the meaning given to the same term in the RIVI Stream Agreement;
- (d) **"Applicable Law"** means, in respect of any Person, property, transaction, event or course of conduct, all applicable laws, statutes, rules, by-laws and regulations, regulatory policies and all applicable official directives, orders, judgments and decrees of Governmental Authorities;
- (e) **"Board"** means the board of directors of the Corporation (or, if empowered, a committee of the board of directors of the Corporation);
- (f) **"Business Day"** means any day excluding a Saturday, Sunday or statutory holiday in the province of British Columbia;
- (g) **"Canadian Taxes"** shall have the meaning specified in Section 2.11;
- (h) **"Common Share"** means a common share in the authorized share structure of the Corporation;
- (i) **"Conversion Date"** shall have the meaning specified in Section 2.03;
- (j) **"Conversion Notice"** means a notice for the conversion of the Principal Amount set out in Schedule "A" hereto;
- (k) **"Conversion Price"** means US\$0.04, subject to adjustment as provided herein;
- (l) **"Corporation"** means PPX Mining Corp., and any successor thereto;
- (m) **"Current Market Price"** means at any date the volume weighted average price at which the Common Shares have been traded on the Exchange during the five (5) consecutive trading days ending one trading day before such date, and in the event the Common Shares are not so traded on any stock exchange, the **"Current Market Price"** thereof will be determined by the Board acting reasonably and in good faith who will rely upon the advice of independent financial advisors;
- (n) **"Debenture"** means the 5.00% secured convertible debenture represented by this debenture certificate, as it may be amended from time to time, and including any debenture issued in replacement, substitution or exchange, in whole or in part, of this 5.00% secured convertible debenture;
- (o) **"Event of Default"** shall have the meaning specified in Section 3.03;
- (p) **"Exchange"** means the TSX Venture Exchange;
- (q) **"Fundamental Change"** shall be deemed to occur upon the occurrence of any of the following events:

- (i) the acquisition by any Person or group of persons acting jointly or in concert (within the meaning of National Instrument 62-104 – *Take Over Bids and Issuer Bids*) of ownership of, or voting control or direction over, 50% or more of the Common Shares; or
- (ii) the sale or other transfer of all or substantially all of the assets of the Corporation on a consolidated basis; or
- (iii) the consummation of any transaction including, without limitation, any consolidation, amalgamation, merger, arrangement or issue of voting securities the result of which is that any Person or group of Persons acting jointly or in concert for purposes of such transaction becomes the beneficial owner, directly or indirectly, of more than 50% of the voting securities of the Corporation or of any such consolidated, amalgamated, merged or other continuing entity;
- (iv) the occupation of a majority of the members of the Board by Persons who were neither (A) nominated by management of the Corporation for election to the Board by shareholders of the Corporation; nor (B) appointed, approved or endorsed by a majority of a Board constituted pursuant to clause (A) hereof; or
- (v) the Common Shares cease to be listed on a nationally recognized stock exchange in Canada or the United States;

provided that a “**Fundamental Change**” shall not include a sale, merger, reorganization, arrangement or similar transaction if the previous holders of the Common Shares own or control, directly or indirectly, at least 50% of the voting power in such merged, reorganized, arranged or other continuing entity (and in the case of a sale of all or substantially all of the assets, in the entity which has acquired such assets) immediately following the completion of such transaction.

- (r) “**Fundamental Change Notice and Offer**” has the meaning specified in Section 2.05;
- (s) “**Fundamental Change Repurchase Date**” has the meaning specified in Section 2.05;
- (t) “**Governmental Authority**” means any court, tribunal, arbitrator, authority, agency, commission, official or other instrumentality of any country, province, state, county, city or other political subdivision;
- (u) “**Holder**” means the registered holder of this Debenture on the books of the Corporation and as evidenced on the first page of this Debenture;
- (v) “**Interest Payment Date**” shall have the meaning specified in Section 2.02;
- (w) “**Issue Date**” means [•], 2023, the original date of issue of this Debenture;
- (x) “**Maturity Date**” shall have the meaning specified in Section 2.01;
- (y) “**Person**” means any individual, corporation, company, partnership, joint venture, association, trust or other organization or entity;
- (z) “**Principal Amount**” means the principal amount shown on the face page of this Debenture;
- (aa) “**Redemption Date**” shall have the meaning specified in Section 2.04;
- (bb) “**Redemption Notice**” shall have the meaning specified in Section 2.04;

- (cc) **“Reorganization”** shall have the meaning specified in Section 5.05;
- (dd) **“Resulting Issuer”** shall have the meaning specified in Section 5.05;
- (ee) **“RIVI Stream Agreement”** means the amended and restated gold and silver purchase agreement dated February [•], 2023 between the Corporation and the Holder (as the same may be further amended, restated, supplemented or otherwise modified from time to time);
- (ff) **“RIVI Stream Security”** has the same meaning as the term “Security” in the RIVI Stream Agreement;
- (gg) **“Security”** means the RIVI Stream Security;
- (hh) **“Security Documents”** means the “Security Documents” as that term is defined in the RIVI Stream Agreement, and as such documents may be amended, supplemented, restated, or otherwise modified from time to time.
- (ii) **“Senior Secured Debt”** means the principal of, premium, if any, and interest on any secured indebtedness of the Corporation, whether outstanding on the Issue Date or thereafter created, incurred or assumed, the purpose of which is to finance all or a portion of the acquisition, expansion, renewal, development or exploration by the Corporation of any mining concessions or other forms of mineral rights, unless the instrument creating or evidencing the same or pursuant to which the same is outstanding expressly provides that such secured indebtedness is subordinated in right of payment to the Debenture;
- (jj) **“Senior Secured Lender”** means the holder(s) of Senior Secured Debt from time to time;
- (kk) **“Share Adjustment”** shall have the meaning specified in Section 5.03;
- (ll) **“Share Adjustment Trigger Date”** shall have the meaning specified in Section 5.03;
- (mm) **“Special Distribution”** shall have the meaning specified in Section 5.04;
- (nn) **“Special Distribution Trigger Date”** shall have the meaning specified in Section 5.04;
- (oo) **“Subsidiary”** has the meaning given to the same term in the RIVI Stream Agreement;
- (pp) **“U.S. Securities Act”** means the United States Securities Act of 1933, as amended; and
- (qq) **“this Debenture”, “the Debenture”, “hereto”, “herein”, “hereby”, “hereunder”, “hereof”** and similar expressions refer to this Debenture and not to any particular Article, Section, subsection, clause, subdivision or other portion hereof and include any and every instrument supplemental or ancillary hereto.

**Section 1.02** **Number and Gender**: Words signifying the singular number include the plural and vice versa, and words signifying gender include all genders.

**Section 1.03** **Headings**: The division of this Debenture into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Debenture.

**Section 1.04** **References**: References in this Debenture to an Article, Section or Schedule are to be construed as references to an Article, Section or Schedule of or to this Debenture unless otherwise specified.

**Section 1.05** **Applicable Law**: This Debenture shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein without reference to conflict of laws principles.

**Section 1.06** **Time of Essence**: Time is of the essence in the performance of this Debenture.

**Section 1.07** **Currency**: All references to currency herein are to lawful money of the United States of America unless otherwise specified herein.

## **ARTICLE TWO THE DEBENTURE**

**Section 2.01** **Promise to Pay**: For value received, the Corporation hereby acknowledges itself indebted and promises to pay the outstanding Principal Amount to the Holder on the third anniversary of the Issue Date (the "**Maturity Date**"), unless otherwise redeemed or the Principal Amount is converted pursuant to the terms of this Debenture.

**Section 2.02** **Interest**: The Principal Amount outstanding under this Debenture shall bear interest at the rate of 5.00% per annum, calculated daily on the Principal Amount outstanding and accrued on March 31, June 30, September 30 and December 31 of each year, with accrued interest payable in cash semi-annually on June 30 and December 31 (each an "**Interest Payment Date**"), both before and after demand, default and maturity. Interest shall be computed on the basis of a 365 or 366-day year, as applicable. The first Interest Payment Date will represent accrued interest from and including the Issue Date to but excluding June 30, 2023. All other interest payment periods shall be calculated from and including the latest Interest Payment Date to, but excluding, the current Interest Payment Date. Any interest payments that, when due, are not paid or otherwise satisfied by the Corporation pursuant to the terms of this Debenture will accrue and be added to the Principal Amount.

**Section 2.03** **Conversion Privilege**:

- (a) Subject to Section 2.04, the outstanding Principal Amount will be convertible at the option of the Holder at any time and from time to time on or before the close of business on the last Business Day before the Maturity Date (any such date referred to as the "**Conversion Date**") into Common Shares at a deemed price per Common Share equal to the Conversion Price, by the delivery by the Holder of a Conversion Notice to the Corporation, together with this Debenture for cancellation and, as soon as practicable thereafter, the Corporation shall deliver or arrange for the delivery of the share certificate(s) or DRS Advice(s) representing the Common Shares issuable on conversion and, if applicable, a new Debenture in respect of the unconverted Principal Amount in the same form as this Debenture (except as to the Principal Amount).
- (b) On the Conversion Date, the Holder will be entered in the books of the Corporation as the holder of the number of Common Shares resulting from the conversion and shall be treated for all purposes (including the right to receive dividends) as the holder of record of such Common Shares.
- (c) Fractional Common Shares will not be issued on any conversion and, in lieu thereof, the Corporation will round up to the nearest whole number of Common Shares if the fraction is 0.5 or greater, and will round down to the nearest whole number of Common Shares if the fraction is less than 0.5.

**Section 2.04** **Redemption Right**:

- (a) The Corporation may redeem in whole or in part and from time to time all or any part of the Principal Amount of this Debenture, together with any accrued and unpaid interest thereon, in cash, at its

option at any time on or before the Maturity Date, without penalty, upon notice given by the Corporation to the Holder (a “**Redemption Notice**”) not more than 10 nor less than 5 Business Days prior to the date fixed for redemption (the “**Redemption Date**”).

- (b) Upon receipt of a Redemption Notice, the Holder shall have the option to elect to convert (subject to Section 2.05) all or any portion of the Principal Amount called for redemption in such notice into Common Shares at the Conversion Price by providing a Conversion Notice in respect thereof to the Corporation on or before the close of business on the last Business Day before the Redemption Date, and the Corporation shall then satisfy such Principal Amount (or portion thereof) called for redemption in the same manner as set forth in Section 2.03, *mutatis mutandis*.
- (c) Upon the giving of a Redemption Notice, the Principal Amount called for redemption shall thereupon be and become due and payable on the Redemption Date specified in such notice, in the same manner and with the same effect as if it were the Maturity Date.

**Section 2.05 Offer to Purchase Debenture on Fundamental Change:**

- (a) Within 15 days following a Fundamental Change, the Corporation shall be obligated to offer to repay all outstanding Principal Amount and accrued and unpaid interest on the Debenture, on the 30<sup>th</sup> day following the Fundamental Change (the “**Fundamental Change Repurchase Date**”), by delivering a notice in writing to the Holder specifying the nature and date of the Fundamental Change, together with an offer in writing (the “**Fundamental Change Notice and Offer**”).
- (b) If the Holder intends to accept the offer pursuant to a Fundamental Change Notice and Offer, the Holder shall provide thereof to the Corporation in writing not less than the close of business on the Business Day preceding the Fundamental Change Repurchase Date, failing which the Fundamental Change Notice and Offer shall expire, with the Debenture remaining outstanding in accordance with the terms hereof.

**Section 2.06 Restriction on Issuance of Common Shares:**

- (a) Without the prior approval of the Exchange, no conversion of the Principal Amount, whether in whole or in part, shall be permitted where such conversion results in the Holder having beneficial ownership of, or control or direction over, whether direct or indirect, or any combination thereof, equal to or more than 20% of the Corporation’s issued and outstanding Common Shares, such amount taking into account any Common Shares issuable pursuant to any convertible securities beneficially owned, controlled or directed by the Holder on a post-conversion basis. Any Principal Amount not converted into Common Shares, including by reason of this Section 2.04, shall continue to be repayable in accordance with the terms of this Debenture.
- (b) The Corporation covenants that it shall, at its next annual meeting held following the Issue Date, use its commercially reasonable efforts to obtain the requisite shareholder approval for the creation of the Holder as a new “control person” of the Corporation, as required under the policies of the Exchange.

**Section 2.07 Issuance:** The Common Shares issuable pursuant hereto will be issued in the name of the Holder as fully paid and non-assessable shares in the capital of the Corporation.

**Section 2.08 Legends:**

- (a) **Canadian Legends:** Until the date that is four months and a day after the Issue Date, any certificate(s) or DRS Advice(s) representing the Common Shares issued pursuant to the terms of

this Debenture, and any certificate issued in exchange for or in substitution of this Debenture, will bear the following legend:

**“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY UNTIL [NTD: INSERT DATE THAT IS FOUR MONTHS AND A DAY AFTER ISSUE DATE].”**

**WITHOUT PRIOR WRITTEN APPROVAL OF TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL [NTD: INSERT DATE FROM ABOVE LEGEND].**

- (b) **U.S. Legends:** The Common Shares issuable on conversion of this Debenture will be “restricted securities” pursuant to Rule 144(a)(3) under the U.S. Securities Act if issued prior to the twelve (12) month anniversary of the issuance of this Debenture and will be required to bear the following U.S. restrictive legend:

**THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”) OR ANY STATE SECURITIES LAWS. THESE SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATIONS UNDER THE 1933 ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (C) WITHIN THE UNITED STATES IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE 1933 ACT PROVIDED BY RULE 144 OR RULE 144A THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND THE HOLDER FURNISHES TO THE CORPORATION AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE CORPORATION. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.**

**Section 2.09 Security and Priority:** The due and timely payment and performance and discharge of all obligations of the Corporation under this Debenture is senior secured indebtedness of the Corporation secured by the Security Documents and will rank senior in right of payment to all other existing and future secured indebtedness of the Corporation; provided that the Holder may agree, acting reasonably, to subordinate its security interest created under the Security Documents (other than any security interest over the Igor 4 Secured Property (as defined under the RIVI Stream Agreement)), to any Person who becomes a Senior Secured Lender, provided that such Person enters into a subordination agreement which is in a form acceptable to the Holder, acting reasonably.

**Section 2.10 Person Entitled to Payment:** The Holder shall be entitled to the Principal Amount and interest accrued thereon evidenced by this Debenture. Delivery to the Holder by the Corporation or the receipt by the Holder of the Principal Amount and any accrued and unpaid interest evidenced by this Debenture shall be a good discharge to the Corporation of its obligations hereunder, and the Corporation shall not be bound to enquire into the title of the Holder, save as ordered by a court of competent jurisdiction or as required by statute. The Corporation shall not be bound to see to the execution of any trust affecting the ownership of this Debenture nor be affected by notice of any equity that may be subsisting in respect hereof or thereof. The Holder of this Debenture shall be

entitled to payment of all amounts due hereunder free from all equities or rights of set-off or counterclaim between the Corporation.

- Section 2.11** **Tax Gross-Up**: All payments made in respect of this Debenture, including in respect of the Principal Amount, interest, delivery of Common Shares on conversion or redemption or otherwise, to the Holder will be free and clear of and without withholding or deduction for or on account of any present or future tax, duty, levy, impose, assessment or other governmental charge including penalties, interest and other liabilities related thereto imposed or levied by or on behalf of the Government of Canada or of any province or territory thereof or by any Governmental Authority having power to tax (hereinafter, "**Canadian Taxes**"), unless there is an obligation on the Corporation to withhold or deduct Canadian Taxes by law or by the interpretation or administration thereof. Notwithstanding anything to the contrary contained in this Debenture, if the Corporation is so required to withhold or deduct any amount for or on account of Canadian Taxes from any payment made under or in respect of this Debenture, the Corporation will pay on behalf of the Holder, as additional interest, such additional amounts (the "**Additional Amounts**") as may be necessary so that the net amount received by the Holder after such withholding or deduction (and after deducting any Canadian Taxes on such Additional Amounts) will not be less than the amount the Holder would have received if such Canadian Taxes had not been withheld or deducted.
- Section 2.12** **Mutilation, Loss, Theft or Destruction**: In case this Debenture shall become mutilated or be lost, stolen or destroyed, the Corporation shall execute and deliver a new Debenture upon surrender and cancellation of the mutilated Debenture, or in case this Debenture is lost, stolen or destroyed, in lieu of and in substitution for the same. In case of loss, theft or destruction the Person applying for a substituted Debenture shall furnish to the Corporation such evidence of such loss, theft or destruction as shall be satisfactory to the Corporation, shall furnish indemnity satisfactory to the Corporation and shall pay all reasonable expenses incidental to the issuance of any substituted Debenture.
- Section 2.13** **Transfer**: This Debenture may not be transferred or assigned by the Holder without the prior written consent of the Corporation, not to be unreasonably withheld, provided that the Corporation may withhold its consent to any proposed transfer or assignment if the obligations under the RIVI Stream Agreement are still secured by the RIVI Stream Security, and such transfer does not include a transfer and assignment, to the same proposed transferee, of all of the Holders' right, title and interest in and under the RIVI Stream Agreement.
- Section 2.14** **US Laws**: This Debenture, and Common Shares issuable upon conversion or redemption hereof, have not been registered under the United States *Securities Act of 1933*, as amended (the "**1933 Act**") or the securities laws of any state of the United States, and the Corporation has no obligation or present intention of filing a registration statement under the 1933 Act in respect of any of this Debenture or the Common Shares issuable thereto.
- Section 2.15** **Payments Generally**: Unless otherwise specifically permitted in this Debenture, all cash payments made pursuant to this Debenture (in respect of the Principal Amount, interest, or otherwise) shall be made by the Corporation to the Holder by way of certified cheque, bank draft or wire transfer by or on behalf of the Corporation to the account specified therefor by the Holder no later than 5:00 p.m. (Toronto time) on the due date therefor. Any payments received after such time shall be considered, for all purposes, as having been made on the next following Business Day unless the Holder otherwise agrees in writing.

**ARTICLE THREE**  
**REPRESENTATIONS AND WARRANTIES, COVENANTS AND EVENTS OF DEFAULT**

**Section 3.01** **Representations and Warranties**: The Corporation hereby represents and warrants to the Holder that:

- (a) the Corporation is a corporation duly incorporated and validly existing under the laws of the Province of British Columbia;
- (b) this Debenture and the Security has been properly authorized, duly executed and delivered by the Corporation and constitutes a legal, valid and binding obligation of the Corporation enforceable in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, moratorium, and other laws affecting creditors' rights generally and except that orders for specific performance, injunctions and other equitable remedies are discretionary remedies which may be granted only in the discretion of the court; and
- (c) all of the representations and warranties of the Corporation contained in Section 18 of the RIVI Stream Agreement are true and correct as of the date hereof.

**Section 3.02** **Covenants**: Except as otherwise provided in this Debenture, the Corporation hereby covenants and agrees that so long as any amounts remain unpaid pursuant to this Debenture it will strictly observe and perform the following covenants:

- (a) pay or cause to be paid any amounts falling due hereunder on the dates and in the manner specified herein;
- (b) do all things necessary or desirable to maintain its corporate existence in its present jurisdiction of incorporation, to maintain its corporate power and capacity to own its properties and assets, and to carry on its business in a commercially reasonable manner;
- (c) reserve and keep available out of its authorized but unissued Common Shares, solely for the purposes of issue, upon conversion or redemption of this Debenture, such number of Common Shares as shall then be issuable upon the conversion or redemption of this Debenture;
- (d) ensure that any Common Shares issued upon conversion or redemption hereof will be listed and posted for trading on the Exchange;
- (e) notify the Holder in writing prior to changing its name, or changing the jurisdiction of its head office or principal place of business;
- (f) after notice thereof from the Holder, do all such further acts and things and execute and deliver all such further documents as will be reasonably requested by the Holder in order to give effect to the terms of this Debenture; and
- (g) comply with all of the covenants under the RIVI Stream Agreement.

**Section 3.03** **Events of Default**: The occurrence of any of the following conditions or events shall constitute an event of default ("**Event of Default**") under this Debenture:

- (a) if the Corporation shall default in the payment of any amounts falling due hereunder on the dates and in the manner specified herein and such default is not cured within five (5) days after written notice thereof is provided by the Holder to the Corporation;

- (b) if a material default occurs in performance of any other covenant of the Corporation in favour of the Holder under this Debenture or the Security, other than with respect to payment of any amounts falling due hereunder, and such default is not capable of being remedied, or if capable of being remedied, such default continues for a period of thirty (30) days following delivery of written notice of such default by the Holder to the Corporation;
- (c) if this Debenture, or any part thereof or the Security shall, at any time after its execution and delivery and for any reason, ceases in any way to be in full force and effect or to be a legal, valid and binding obligation of the Corporation (other than as a result of any Reorganization), or if the validity or enforceability of any of this Debenture or the Security is disputed in any manner by the Corporation, and such default is not capable of being remedied, or if capable of being remedied, such default continues for a period of thirty (30) days following delivery of written notice of such default by the Holder to the Corporation;
- (d) if the Corporation or any of its Subsidiaries or Affiliates institutes proceedings for its winding up, liquidation, or takes action to become a voluntary bankrupt, or consents to the filing of a bankruptcy proceeding against it, or files a proposal, a notice of intention to make a proposal, a petition or answer or consent seeking reorganization, readjustment, arrangement, composition or similar relief under any law relating to bankruptcy, insolvency, reorganization of debts, liquidation, winding-up or dissolution, including any proceeding, proposal, notice of intention to make a proposal, order or petition under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada) or any similar legislation in any other jurisdiction or consents to the filing of any such petition, or consents to the appointment of a receiver, liquidator, trustee or assignee in bankruptcy or insolvency of all or a substantial part of the property of the Corporation or of any of its Subsidiaries or Affiliates, or makes an assignment for the benefit of creditors, or admits in writing its inability to pay its debts generally as they become due or commits any other act of bankruptcy, or suspends or threatens to suspend transaction of its usual business, or any action is taken by the Corporation or any of its Subsidiaries or Affiliates in furtherance of any of the aforesaid;
- (e) if proceedings are instituted in any court of competent jurisdiction by any Person other than the Corporation or any of its Subsidiaries or Affiliates for the winding up, liquidation or dissolution of the Corporation or any of its Subsidiaries or Affiliates or for any reorganization, readjustment, arrangement, composition or similar relief with respect to the Corporation or any of its Subsidiaries or Affiliates under any law relating to bankruptcy, insolvency, reorganization of debts, liquidation, winding-up or dissolution, including any proceeding, proposal, notice of intention to make a proposal, order or petition under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada) or any similar legislation in any other jurisdiction or any other applicable insolvency law, or for the appointment of a receiver, liquidator, trustee or assignee in bankruptcy or insolvency of the whole or any material part of the property of the Corporation or any of its Subsidiaries or Affiliates, and:
  - (i) at any time thereafter (a) such proceeding is not being contested by the Corporation or any of its Subsidiaries or Affiliates, or (b) the effect of such proceeding has not been stayed;
  - (ii) such proceeding has not been dismissed within 30 days from and including the day on which it was commenced; or
  - (iii) if any order sought in any such proceeding is granted;
- (f) if a receiver, manager, receiver and manager, trustee, custodian or other similar official is appointed in respect of the Corporation or any of its Subsidiaries or Affiliates or any material part of its respective property and, in the case of any such involuntary appointment, at any time thereafter either the same is not being contested or the effect thereof has not been stayed;

- (g) if any material representation, warranty or certification made in connection with the execution and delivery of the Debenture or the Security shall prove to be at any time materially incorrect at the time it was made;
- (h) if the Corporation or any of its Subsidiaries or Affiliates, directly or indirectly, sells, leases, transfers or otherwise disposes of all or substantially all of its property and assets as an entirety to any other entity;
- (i) if the Corporation or any of its Subsidiaries or Affiliates ceases or threatens to cease to carry on in the ordinary course its business or a substantial part thereof or if any act, matter or thing is done toward, or any action or proceeding is launched or taken to terminate the corporate existence of the Corporation;
- (j) if there occurs an “Event of Default” as defined under the RIVI Stream Agreement with respect to the Corporation or any of its Subsidiaries or Affiliates; or
- (k) if the Corporation or any of its Subsidiaries or Affiliates defaults under any payments regarding indebtedness or any other amounts outstanding in excess of \$100,000 (other than any payments or any amounts falling due hereunder or under the RIVI Streaming Agreement), and such default is not cured or waived in writing within any applicable grace period.

**Section 3.04** **Acceleration on Event of Default:** If an Event of Default (as defined in Section 3.03), other than Section 3.03(d), Section 3.03(e) or Section 3.03(f), shall occur and be continuing, following any applicable cure period set out in Section 3.03, the unpaid balance of the Principal Amount and any accrued and unpaid interest (the “**Amount Due**”) may be declared by the Holder on written notice to the Corporation to be, and upon delivery of such notice shall become, immediately due and payable without, except as may be required by Applicable Law, any additional notice, presentment, demand, protest, notice of protest, dishonour or any other action. If an Event of Default under Section 3.03(d), Section 3.03(e) or Section 3.03(f) occurs, the Amount Due shall automatically become and be immediately due and payable.

#### **ARTICLE FOUR SATISFACTION AND DISCHARGE**

**Section 4.01** **Discharge:** Upon the Principal Amount of and any accrued and unpaid interest on this Debenture and all other moneys payable hereunder having been paid or satisfied, the Holder shall, at the request of the Corporation, release and discharge this Debenture and the Holder shall execute and deliver to the Corporation such instruments as are requisite for the purpose and to release the Corporation from its covenants herein contained, provided that no release or discharge will be made of the security interests created by the Security Documents that secure performance of the obligations of PPX under the RIVI Stream Agreement.

#### **ARTICLE FIVE REORGANIZATION AND ADJUSTMENTS**

**Section 5.01** **Adjustments:** The adjustments in Section 5.03 to Section 5.06 are subject to the rules set out in Section 5.07.

**Section 5.02** **Definitions:** In this Article Five, the following terms have the following meanings:

- (a) “**Adjustment Period**” means the period starting on the date of this Debenture and ending on the date on which all amounts payable pursuant to this Debenture have been satisfied.

- (b) **“Convertible Security”** means a security convertible into or exchangeable for a Common Share.
- (c) **“Ordinary Course Dividends”** means ordinary course dividends (payable in any form) declared payable on the Common Shares in any fiscal year of the Corporation.

Any Common Shares owned by or held for the account of the Corporation will be deemed not to be outstanding for the purpose of any calculation under this Article Five.

**Section 5.03 Share Adjustment:** If, during the Adjustment Period, the Corporation:

- (a) subdivides the Common Shares into a greater number of shares of the Corporation;
- (b) consolidates the Common Shares into a lesser number of shares of the Corporation; or
- (c) fixes a record date to issue (or issues) Common Shares or Convertible Securities to the holders of all or substantially all of the Common Shares by way of a stock dividend or other distribution on the Common Shares,

(the subdivision, consolidation or issuance, a **“Share Adjustment”**), then the Conversion Price will be adjusted, effective on the earlier of the record date on which holders of Common Shares are determined for the purposes of the Share Adjustment and the effective date of the Share Adjustment (the **“Share Adjustment Trigger Date”**), by multiplying the Conversion Price in each case in effect before the adjustment by a fraction:

- (d) with a numerator equal to the number of Common Shares outstanding before giving effect to the Share Adjustment; and
- (e) with a denominator equal to the number of Common Shares outstanding after giving effect to the Share Adjustment (and after giving effect to the conversion or exchange of any Convertible Securities distributed by way of stock dividend or other distribution, as if all of those Convertible Securities had been converted or exchanged on the Share Adjustment Trigger Date).

**Section 5.04 Special Distribution:** If, during the Adjustment Period, the Corporation fixes a record date for the distribution to the holders of all or substantially all of the Common Shares of:

- (a) shares of any class, whether of the Corporation or any other corporation;
- (b) rights, options or warrants;
- (c) evidences of indebtedness; or
- (d) other assets or property,

and if the distribution does not constitute a Share Adjustment or the payment of Ordinary Course Dividends (any non-excluded distribution, a **“Special Distribution”**), then the Conversion Price will be adjusted, effective on the record date for the Special Distribution (the **“Special Distribution Trigger Date”**), by multiplying the Conversion Price in effect before the adjustment by a fraction:

- (e) with a numerator equal to:
  - (i) the number of Common Shares outstanding on the Special Distribution Trigger Date multiplied by the Current Market Price on the Special Distribution Trigger Date; less

- (ii) the excess, if any, of the fair market value of the securities or other assets or property being distributed over the fair market value of any consideration received by the Corporation from the holders of Common Shares for the securities or other assets or property being distributed; and
- (f) with a denominator equal to the number of Common Shares outstanding on the Special Distribution Trigger Date multiplied by the Current Market Price on the Special Distribution Trigger Date.

The fair market values under this Section 5.04 will be conclusively determined by the Board.

**Section 5.05 Reorganization:** If, during the Adjustment Period:

- (a) the Common Shares are reclassified or changed into other shares or there is any other reorganization involving the Common Shares (other than a Share Adjustment);
- (b) the Corporation is a party to any consolidation, amalgamation, merger or arrangement with any other person; or
- (c) all or substantially all of the undertakings or assets of the Corporation are transferred to another person;

(in each case, a “**Reorganization**”), then on the effective date of the Reorganization this Debenture will be exchanged for an equivalent security of the entity resulting from the Reorganization or an issuer whose shares are listed and posted for trading on the facilities of a recognized Canadian stock exchange (the “**Resulting Issuer**”). If, subsequent to the Reorganization the principal amount of the equivalent security issued by the Resulting Issuer in exchange for this Debenture is converted pursuant to its terms into other securities of the Resulting Issuer, the Holder will be entitled to receive, and will accept, in lieu of the number of Common Shares to which the Holder would be entitled, the kind and amount of securities or other assets or property (including cash) which the Holder would have been entitled to receive as a result of the Reorganization if, on the effective date of the Reorganization, the Holder had been the registered holder of Debentures of the Resulting Issuer before the Reorganization.

**Section 5.06 Other Adjustments:** If, during the Adjustment Period, the Corporation takes any action affecting the Common Shares, other than an action or event requiring an adjustment under Section 5.03 to Section 5.05, which the Board determines would have a material effect on the rights of the Holder under this Debenture, then the terms of the Debenture will be adjusted in any manner and at any time as the Board (in its sole discretion) determines is equitable in the circumstances. If the Board fails to provide for an adjustment under this Section 5.06 before the effective date of the action affecting the Common Shares, that failure will be deemed to be conclusive evidence that the Board has determined that it is equitable to make no adjustment in the circumstances.

**Section 5.07 Rules:**

- (a) **Successive Calculations:** The adjustments under this Article Five will be made successively (without duplication) whenever a relevant event occurs.
- (b) **Minimum Adjustments:** No adjustment of the Conversion Price will be made unless it would result in a change in the Conversion Price of at least 1% of the Conversion Price originally established on the date of this Debenture, respectively (however any adjustments which by reason of this Section 5.07(b) are not required to be made will be carried forward and taken into account in any subsequent adjustment).
- (c) **Actions Not Taken:** If the Corporation fixes a record date which (if it were not for this Section 5.07(c)) would trigger an adjustment under this Article Five, and the event in respect of which that

record date is set is abandoned (or that record date is changed), then no adjustment under this Article Five will be required by reason of the setting of that (original) record date. If a calculation is made under this Article Five based on the assumed conversion or exchange of Convertible Securities or on the assumed exercise of rights, options or warrants, and any portion of the Convertible Securities are not actually converted or exchanged or any portion of the rights, options or warrants are not actually exercised within the time permitted, the calculation will be adjusted once the number of Common Shares actually issued on the conversion or exchange of the Convertible Securities and on the exercise of the rights, options and warrants is known. If a fair market value determination is made based on the assumed distribution of securities or other assets or property, and the distribution does not occur (or only occurs in part), the fair market value determination will be adjusted to reflect the distribution actually made.

- (d) **Deferral of Issuance:** If Section 5.07(c) may require a readjustment or a recalculation which could result in a lesser number of Common Shares being issued in satisfaction of any payment of interest or a lesser number of Units being issued upon conversion of the Principal Amount, the Corporation may defer issuing any Common Shares in excess of that lesser amount to the Holder until the final Conversion Price is known. If the Corporation defers the issuance of Common Shares under this Section 5.07(d), the Corporation will deliver to the Holder an appropriate instrument evidencing the Holder's right (subject to the occurrence of the event requiring the readjustment or recalculation) to receive the additional Common Shares and any distributions made on and after the date of deferral on the additional Common Shares, as the case may be.
- (e) **Disputes:** If any dispute arises with respect to the calculation of an adjustment under this Article Five, the dispute will be conclusively determined by the auditors of the Corporation or, if they are unable or unwilling to act, by another firm of independent chartered accountants selected by the Board. The Corporation will provide to the auditors or accountants access to all necessary records of the Corporation to make a determination under this Section 5.07(e) and that determination will be binding on the Corporation and the Holder.
- (f) **Record Date:** If the Corporation does not fix a record date for a Special Distribution by way of a resolution of the directors, the Corporation will be deemed to have fixed a record date on the record date determined under corporate law.
- (g) **Exchange Approval:** Any adjustments under this Article Five may be subject to the prior approval of the Exchange at the time of such adjustment.

**Section 5.08** **Condition Precedent:** As a condition precedent to the taking of any action which would require an adjustment under this Article Five, the Corporation will take any corporate action which may, in the opinion of counsel to the Corporation, be necessary to ensure that the Corporation may validly and legally issue the Common Shares which the Holder would be entitled to receive.

**Section 5.09** **Notice:** Whenever the Conversion Price will be adjusted pursuant to this Article Five, the Corporation will prepare a certificate signed by its chief financial officer setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated, and the revised Conversion Price after giving effect to such adjustment and will cause a copy of such certificate to be sent to the Holder of this Debenture.

**Section 5.10** **Interpretation:** As of the original date of this Debenture, "Common Share" means a common share in the authorized share structure of the Corporation as constituted on the original date of this Debenture. If the common shares are subsequently reorganized, reclassified, substituted or otherwise changed, the term "Common Share" will then be interpreted to reflect that change.

## ARTICLE SIX GENERAL

**Section 6.01** **Amendment and Waiver**: This Debenture may not be amended, nor any provision waived, except pursuant to an instrument in writing executed by both the Corporation and the Holder.

**Section 6.02** **Enurement**: This Debenture and all of its provisions shall enure to the benefit of the Holder, their heirs, executors, administrators, estate trustees, trustees, personal or legal representatives, successors and assigns and shall be binding upon the Corporation, its successors and assigns, as the case may be.

**Section 6.03** **Severability**: Each Section of this Debenture is distinct and severable. If any Section of this Debenture, in whole or in part, is or becomes illegal, invalid, void, voidable or unenforceable in any jurisdiction by any court of competent jurisdiction, the illegality, invalidity or unenforceability of that Section, in whole or in part, will not affect:

- (a) the legality, validity or enforceability of the remaining Sections of this Debenture, in whole or in part; or
- (b) the legality, validity or enforceability of that Section, in whole or in part, in any other jurisdiction.

**Section 6.04** **Notices**: Any notice must be in writing and either delivered personally or by courier, sent by prepaid registered mail, or transmitted by facsimile, email or functionally equivalent electronic means of transmission, charged (if any) prepaid.

Any notice must be sent to the intended recipient at its address as follows:

- (i) to the Corporation at:

82 Richmond Street East  
Toronto, Ontario  
M5C 1P1 Canada

Attention: John Thomas, Interim Chief Executive Officer  
Email address: john.thomas @ppxmining.com

- (ii) To the Holder at that Person's address, as shown on the cover page of this Debenture, or any email address provided by the Holder to the Corporation.

Any Person may change its address for delivery of notices under this Section 6.04 by notice in writing given in accordance with this Section 6.04. Any notice delivered personally or by courier to the Person to whom it is addressed will be deemed to have been given or made and received on the day it is delivered at that Person's address, provided that if that day is not a Business Day then the notice will be deemed to have been given or made and received on the next Business Day. Any notice sent by prepaid registered mail will be deemed to have been given or made and received on the fifth Business Day after which it is mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every notice must be delivered personally or by courier or transmitted by facsimile, e-mail or functionally equivalent electronic means of transmission. Any notice transmitted by facsimile, e-mail or other functionally equivalent electronic means of transmission will be deemed to have been given or made and received on the day on which it is transmitted; but if the notice is transmitted on a day which is not a Business Day or after 5:00 p.m. (local time of the recipient), the notice will be deemed to have been given or made and received on the next Business Day.

**Section 6.05** **Actions on Days Other than Business Days**: Except as otherwise specifically provided herein, where any payment is required to be made or any other action is required to be taken on a particular day and such day is not a Business Day and, as a result, such payment cannot be made or action cannot be taken on such day, then this Debenture shall be deemed to provide that such payment shall be made or such action shall be taken on the first Business Day after such day.

*[Signature page follows]*

IN WITNESS WHEREOF, the Corporation has executed this Debenture as of \_\_\_\_\_, 2023.

**PPX MINING CORP.**

By:

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

**SCHEDULE "A"**  
**CONVERSION NOTICE**

**TO: PPX MINING CORP.** (the "Corporation")

The undersigned registered holder (the "Holder") of the 5.00% Secured Convertible Debenture issued by PPX Mining Corp. represented by Certificate Number \_\_\_\_\_ (the "Debenture"), by delivery of this Conversion Notice, hereby irrevocably elects to convert US\$\_\_\_\_\_ of the outstanding Principal Amount (the "Conversion Amount") on the Debenture to the date hereof, into Common Shares pursuant to the terms and subject to the conditions of the Debenture.

The Holder acknowledges and agrees that upon the issuance of the Common Shares by the Corporation pursuant to this Conversion Notice: (i) the Principal Amount of the Debenture will be reduced by the Conversion Amount; and (ii) the certificate representing the Debenture is surrendered to the Corporation and will be cancelled.

In connection with the conversion of the Conversion Amount of the Debenture: *{check one}*

- 1. the Holder certifies that: (a) at the time of the conversion the Holder is outside the United States, (b) the Holder is not a U.S. Person, (c) the Holder is not converting the Conversion Amount on the Debenture on behalf of, or for the account or benefit of, a U.S. Person, (d) the Holder is the original acquiror of the Debenture and delivered an Accredited Investor Certificate to the Corporation in connection with such acquisition, (e) is an "accredited investor" as defined in National Instrument 45-106 or section 73.3 of the *Securities Act* (Ontario) at the time of conversion of the Conversion Amount, and (f) the representations and warranties of the Holder made in the Accredited Investor Certificate delivered by the Holder to the Corporation in connection with the acquisition of the Debenture remain true and correct as of the time of conversion;
- 2. the Holder (a) is the original U.S. acquiror of the Debenture and delivered a U.S. Accredited Investor Status Certificate to the Corporation in connection with such acquisition, and (b) has not been solicited to convert the Debenture by any person, or if the undersigned has been solicited to convert the Debenture, the undersigned has confirmed that no commission or remuneration has been or will be paid or given, directly or indirectly, for soliciting such conversion, and the Holder acknowledges that the Corporation is relying on the registration exemption provided by section 3(a)(9) of the United States *Securities Act of 1933*, as amended (the "**1933 Act**"), to issue the Common Shares; or
- 3. the Holder is delivering a written opinion of U.S. counsel, in a form acceptable to the Corporation acting reasonably, that the Common Shares issuable on conversion are exempt from registration requirements under the 1933 Act and the securities laws of all applicable states of the United States.

The Holder directs the Corporation to register the Common Shares in the name of the Holder and to use the following as its address of registration:

Address: \_\_\_\_\_

The Holder directs the Corporation to deliver the certificate(s) or DRS Advice(s) representing the Common Shares and, if applicable, a certificate evidencing the balance of the Principal Amount of the Debenture not presently converted, as follows: *{check one}*

- 1. at the office where this Conversion Notice is delivered; or
- 2. to the address for registration set out above; or
- 3. to the following address: \_\_\_\_\_

Capitalized terms used herein and not otherwise defined have the meanings ascribed in the certificate representing the Debenture to which this Conversion Notice is attached.

*[Signature page follows]*

**DATED** this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

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Name of Holder

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Signature of Holder (or authorized signatory on behalf of Holder)

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Name of authorized signatory, if applicable

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Official capacity or title of authorized signatory, if applicable

**Instruction:** If this Conversion Notice is signed by a person in a representative capacity on behalf of the Holder, the Corporation may require the person to deliver documentation to establish the person's authority and capacity to sign on behalf of the Holder and the Corporation may require the person's signature to be guaranteed.