

ROYALTY AGREEMENT

AMONG

BRALORNE GOLD MINES LTD.

- AND -

TALISKER RESOURCES LTD.

- AND -

SPROTT PRIVATE RESOURCE STREAMING AND ROYALTY (B) CORP.

JUNE 9, 2023

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ROYALTY AGREEMENT

THIS AGREEMENT dated as of the 9th day of June, 2023.

AMONG:

BRALORNE GOLD MINES LTD., a company incorporated under the laws of British Columbia and having its registered office at Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8

(“**Company**”)

AND:

TALISKER RESOURCES LTD., a company incorporated under the laws of Ontario and having an office at Suite 400, 350 Bay Street, Toronto, Ontario, M5H 3S8

(“**Parent**”)

AND:

SPROTT PRIVATE RESOURCE STREAMING AND ROYALTY (B) CORP., a company incorporated under the laws of Ontario and having an office at Suite 2600, 200 Bay Street, Toronto, Ontario, M5J 2J1

(“**Royalty Holder**”)

INTRODUCTION:

- A.** The Company owns and intends to develop the Project.
- B.** The Parent is the sole shareholder of the Company.
- C.** The Company has agreed to create, grant and convey the Royalty to the Royalty Holder in exchange for the payment of the Purchase Price, inclusive of all applicable Taxes, in accordance with the terms and conditions described herein.
- D.** Osisko has a ROFR Right over the creation, grant and conveyance of the Royalty, which it has waived.

IN CONSIDERATION OF, among other things, the mutual promises contained in this Agreement, the Parties agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Unless the context otherwise requires, in this Agreement:

“**Abandonment Date**” has the meaning given in Section 9.9(a);

“**Abandonment Property**” has the meaning given in Section 9.9(a) and, for certainty, includes the surrendered mineral rights acquired by the Company, or an Affiliate of the

Company or their respective Personnel, agents or joint actors, as referred to in Section 9.9(d);

“Affected Property” has the meaning given in Section 9.12(a);

“Affiliate” means with respect to any Person, any other Person which directly or indirectly, through one or more intermediaries, Controls, or is Controlled by, or is under common Control with, such Person. For greater certainty, a Person shall not be deemed to be an Affiliate of another Person solely from being a “control person” of the other Person under applicable securities Laws, unless such Person holds more than 50% of the votes for the election of directors of the other Person;

“Agreement” means this document including any schedule or appendix to it;

“Allowable Deductions” means the aggregate of the following costs, charges and expenses paid or incurred by the Company for or with respect to Product:

- (a) charges for treatment in the smelting and refining processes (including custom smelting, minting, and refining, handling, provisional settlement fees, weighing, sampling, concentrate leaching, assaying, umpire and representation costs, any penalties including penalties for impurities contained in the Product which inhibit smelting, refining or minting, and other processor deductions), but excluding costs of mining, crushing, milling (including toll milling), mine site or offsite processing (including toll processing), handling, tertiary treatment and other beneficiation, and mine site smelting, refining and concentrating leaching, concentrating or other similar mine site processing costs;
- (b) actual costs of transportation (including loading, freight, insurance, security, surveyor fees, handling, port fees, demurrage, delay, and forwarding expenses incurred by reason of or in the course of transportation) of Product from the Property (or, if applicable, the site where crushing, milling or processing takes place, including under any tolling or similar agreement) to the place of smelting, refining and other beneficiation processes and then to the place of Sale (if the place of Sale is different than the place of smelting, refining and other beneficiation processes) and for greater certainty, excludes transport of Product within the Property or any transport from the Property to offsite crushing, milling or processing facilities, including pursuant to any tolling, ore sale or similar agreement; and
- (c) costs or charges for or in connection with insurance, storage, or representation at a smelter or refinery for Product or Refined Product;

but irrespective of whether Product is processed on or off the Property in a facility wholly or partially owned by the Company or an Affiliate of the Company, Allowable Deductions will not include any (i) Taxes, or (ii) costs that are in excess of those that would be incurred on an arm’s length basis at market terms, or which would not be Allowable Deductions if that Product was processed by an independent third Person;

“AML Legislation” means the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and other applicable anti-money laundering, anti-terrorist financing, government sanction and “know your client” applicable Laws, whether within

Canada, the United States or, to the extent applicable to any Project Entity, elsewhere, including any regulations, guidelines or orders thereunder;

“Anti-Corruption Laws” means:

- (a) the *Corruption of Foreign Public Officials Act* (Canada) (the **“CFPOA”**);
- (b) the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions 1997 (the **“OECD Convention”**);
- (c) the United Nations Convention against Corruption 2003;
- (d) the *Foreign Corrupt Practices Act of 1977* of the United States of America (the **“FCPA”**);
- (e) laws pertaining to the disclosure of payments to governments, including but not limited to the *Extractive Sector Transparency Measures Act* (Canada);
- (f) any regulations under any of the above; and
- (g) any other applicable Law which:
 - (i) prohibits the offering of any gift, payment or other benefit to any person or any officer, employee, agent or adviser of such person; or
 - (ii) is broadly equivalent to the CFPOA or the FCPA, is intended to enact the provisions of the OECD Convention, or has as its objective the prevention of corruption,

and is applicable in the jurisdictions in which any Party is registered or conducts business or in which their operations are to be conducted;

“Anti-Corruption Policy” means the code of conduct of the Parent which includes the anti-bribery and anti-corruption policy of the Parent adopted by the board of directors of the Parent and other Group Members with effect on and as of the date of this Agreement, as the same may be amended, revised, supplemented or replaced from time to time in accordance with this Agreement;

“Arbitration Notice” has the meaning ascribed to it in Section 17.3(a);

“Authorization” means any authorization, approval, consent, concession, exemption, license, lease, grant, permit, franchise, right (including surface rights, access rights, rights of way, privileges, concessions or franchises granted to or held by the Company by, or required to be obtained from, any Person (including a Governmental Body), for the exploration of the Property or the construction, development and operation of the Project), privilege or no-action letter from any Governmental Body having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person’s property or business and affairs (including any zoning approval, mining permit, development permit or building permit) or from any Person in connection with any easements, contractual rights or other matters, but in each case excludes the Property.

“Average Gold Price” means the average London Bullion Market Association daily afternoon (PM) per ounce Gold Price in U.S. dollars quoted by the London Bullion Market

Association (currently administered by ICE Benchmark Administration) or any successor thereto, calculated by summing such quoted price reported for each day in a Quarter and dividing the sum by the number of days for which such prices were reported;

“Average Product Price” means the Average Gold Price, the Average Silver Price and, in the case of other metals, the average Quarterly LME spot or settlement price (or the average of all such prices reported for each such day, if more than one) published by the LME on its website (or another similar quotation acceptable to the Parties, acting reasonably), as the context requires;

“Average Silver Price” means the average London Bullion Market Association daily per ounce Silver Price in U.S. dollars quoted by the London Bullion Market Association (currently administered by ICE Benchmark Administration) or any successor thereto, calculated by summing such quoted price reported for each day in a Quarter and dividing the sum by the number of days for which such prices were reported;

“Books and Records” the books, accounts, records and data of every kind or nature maintained by or on behalf of the Company or an Affiliate of the Company in relation to the Project, or the Company's operations and activities on the Property, or the calculation of the Royalty, including books, accounts and records which relate to, contain or which consist of:

- (a) the quantity of Product Sold in each Quarter or for which insurance proceeds have been received in the Quarter;
- (b) the calculation of each component of the Royalty for each Quarter;
- (c) the payment of the Royalty in each Quarter;
- (d) where there is any commingling of Product in a Quarter with materials extracted from land outside the boundaries of the Property, the measures, moistures and assays of the minerals and substances in the Product extracted and recovered from the Property prior to the commingling;
- (e) purchase and sale agreements, Offtake Agreements, Ore Sales Agreement, settlement sheets, invoices, ledger cards, bills of lading and other shipping evidence, statements, correspondence, memoranda, credit files, electronically stored data and other data;
- (f) geological and metallurgical data, drill hole logs, cross sections and assay results;
- (g) the exploration, development and mining of the Property; and
- (h) the stockpiling, treatment, processing, refining and transportation of Product or Tailings (or both, as the case may be);

“Bralorne Royalty Agreement” means the royalty agreement dated December 23, 2019 between the Parent, the Company and Osisko, as amended by the Amending Agreement dated December 3, 2021;

“Bridging Agreement” [definition redacted – commercially sensitive information];

“Business Day” means a day that is not a Saturday, Sunday or any other day which is a public holiday or a bank holiday in the place where an act is to be performed or a payment is to be made;

“Change of Control” of a Person (the **“Subject Person”**) means the consummation of any transaction or event, including any consolidation, business combination, arrangement, amalgamation or merger or any issue, Transfer or acquisition of securities, the result of which is that any other Person (other than an Affiliate of the Subject Person) or group of other persons (other than an Affiliate of the Subject Person) acting jointly or in concert for purposes of such transaction or event (a) becomes the beneficial owners, directly or indirectly, of more than 50% of the votes attached to the voting securities of the Subject Person or (b) otherwise acquires control, directly or indirectly, of the Subject Person, and including by acting with a group of other Persons, of the Subject Person, including through the occupation of a majority of the seats (other than the vacant seats) on the board of the Subject Person by individuals who were neither (i) nominated by the board of the Subject Person nor (ii) appointed, approved or endorsed by members of the board of the Subject Person;

“Claim” includes any claim, action, damage, loss, liability, cost, charge, expense, outgoing, payment or demand of any nature and whether present or future, fixed or unascertained, actual or contingent and whether at law, in equity, under statute, Contract or otherwise;

“Closing” means any of the First Closing, Second Closing, Third Closing or Fourth Closing;

“Closing Payment” means any of the First Closing Payment, Second Closing Payment, Third Closing Payment or Fourth Closing Payment;

“Collateral” means (a) the equity interests in and the intercompany debt obligations of the Company, (b) the intercompany debt obligations of the Parent and all other Project Entities, and (c) the Project Property and all of the other presently held and future acquired undertaking, property and assets of the Project Entities charged or intended to be charged pursuant to the Security Documents, provided that if and while the Parent does not hold any Project Property directly its presently held and future acquired undertaking, property and assets (other than the equity interests and intercompany debt obligations referred to in (a) and (b) above) shall be deemed not to be Collateral;

“Commingling Disadvantage” has the meaning given in Section 9.3(c);

“Commingling Plan” has the meaning given in Section 9.3(a);

“Company Event of Default” has the meaning given in Section 14.1;

“Company’s Fundamental Representations” means the representations and warranties given in paragraphs [section references redacted – commercially sensitive information] of Schedule E;

“Compensation” means, with respect to the receipt of proceeds under Sections 9.11(d), 9.11(e) and 9.12(b), the aggregate cash proceeds received by any Group Member (a) for loss or damage to the Project Property or (b) as a consequence of or in respect of any Expropriation Event, in each case, after deducting therefrom, without duplication, all

reasonable fees, costs and expenses (including legal and accounting fees) incurred in connection with the collection of such proceeds (as evidenced by supporting documentation provided to the Royalty Holder upon request), without deduction for any insurance premiums or similar payments, provided however that insurance proceeds arising from third-party liability insurance shall not constitute Compensation under Sections 9.11(d) and 9.11(e);

“Confidential Information” has the meaning given in Section 16.1;

“Contingent Rights” means the contingent rights of the Royalty Holder to potentially be issued Qualifying Shares at the sole option of the Company in connection with exercising the Royalty Repurchase Option pursuant to Section 2.9 and in connection with paying the Standby Fee pursuant to Section 2.12, which shall be issued on the First Closing Date and represented by the Contingent Rights Certificate;

“Contract” means any agreement, contract, lease, licence, concession, option, indenture, mortgage, deed of trust, debenture, note or other instrument, arrangement, understanding or commitment, whether written or oral;

“Control” means, in respect of a particular Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ability to elect a majority of the directors of such Person or through the exercise of voting power, by contract or otherwise;

“COVID-19 Measures” means:

- (a) all applicable Law relating or pertaining to COVID-19; and
- (b) all standards, procedures and guidelines of the Company relating or pertaining to COVID-19,

in existence or in force as at the Execution Date with which the Company, its Affiliates and their respective personnel must comply;

“Development and Mine Plan” means, in respect of the Project taken as a whole, as and when the same is available, the development and/or mine plan adopted by the board of directors of the Company as such plan may be amended, restated, revised or supplemented by the Company from time to time;

“Disclosure Letter” means the confidential disclosure letter delivered on the Execution Date by the Company to the Royalty Holder setting forth exceptions to and disclosures with respect to the representations and warranties of the Company set out in Schedule E;

“Disposal” means any disposal by any means including dumping, incineration, spraying, pumping, injecting, depositing or burying;

“Dispute” has the meaning given in Section 17.1;

“Dispute Notice” has the meaning given in Section 17.2(a);

“Dispute Representative” has the meaning given in Section 17.2(b);

“E&OHS Guidelines” means the *Mines Act* (British Columbia) and the Health, Safety and Reclamation Code for Mines in British Columbia, as amended, supplemented or superseded from time to time;

“Early Termination Amount” means [definition redacted commercially sensitive information];

“Eligible Transferee” means a Qualified Project Operator; provided that no such Qualified Project Operator or any of their respective Affiliates shall be a Sanctioned Person or a Sanctioned Entity or otherwise be charged or subject to any proceedings or orders for non-compliance with Anti-Corruption Laws or AML Legislation;

“Encumbrance” means any mortgage, deed of trust, charge, pledge, hypothecation, security interest, priority or other security agreement, assignment, deposit arrangement, lien (statutory or otherwise), title retention agreement or arrangement, conditional sale, option, licence or licence fee, royalty, claim, production payment, restrictive covenant, preferential arrangement or other encumbrance of any nature or any agreement to give or create any of the foregoing, whether registered or recorded or unregistered or unrecorded;

“Enforcement Event” means any one or more of the following events or circumstances:

- (a) either: (i) the Company or the Parent fails to make any payment when such payment is due and payable to any Person in relation to any debt having a principal amount equal to or in excess of [amount redacted commercially sensitive information] , and any applicable grace period in relation thereto has expired; or (ii) the Company or the Parent defaults in the observance or performance or any other agreement or condition in relation to any such debt or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs or condition exists, the effect of which default or other condition, if not remedied within any applicable grace period, would be to cause, or to permit the holder of such debt to declare such debt to become due prior to its stated maturity date; or
- (b) any action is taken by a Person to enforce any Encumbrance in, over or against any Collateral with a fair market value in excess of [amount redacted commercially sensitive information]

“Environment” includes the air, surface water, groundwater, body of water, any land, soil or underground space even if submerged under water or covered by a structure, all living organisms and the interacting natural systems that include components of air, land, water, organic and inorganic matters and living organisms and the environment or natural environment as defined in any Environmental Law and “Environmental” will have a similar extended meaning;

“Environmental Laws” means all Laws relating in whole or in part to the Environment, including those relating to the storage, generation, use, handling, manufacture, processing, transportation, import, export, treatment, Release or Disposal of any Hazardous Substance;

[definition redacted commercially sensitive information]

“Estopped Holding” has the meaning given in Section 2.9(c);

[definition redacted commercially sensitive information];

“Exchange” means the Toronto Stock Exchange or such other stock exchange on which the Qualifying Shares are listed and posted for trading;

“Excluded Taxes” means, with respect to the Royalty Holder or any other owner of the Royalty: **[definition redacted commercially sensitive information]**

but, for greater certainty, not including a Tax imposed on a transaction that is the receipt of a payment or delivery under this Agreement, the making of a payment under this Agreement, or the enforcement of rights under this Agreement or any other document delivered hereunder;

“Execution Date” means the date of this Agreement;

“Expropriation Event” means an expropriatory act or series of expropriatory acts, comprising confiscation, nationalization, requisition, deprivation, sequestration and/or similar acts, by law, order, executive or administrative action or otherwise of any Governmental Body or any corporation or other entity controlled by any Governmental Body the result of which expropriatory act or series of expropriatory acts is that all or substantially all of the rights, privileges and benefits pertaining to or associated with all or any part of the Project cease being for the benefit or entitlement of any Project Entity, whether as a result of ceasing to own such part of the Project or otherwise;

“Financial Statements” has the meaning set out in Schedule E;

“First Closing” has the meaning given in Section 4.1;

“First Closing Date” has the meaning given in Section 4.1;

“First Closing Payment” has the meaning given in Section 2.3(a);

“First Closing Title Opinion” has the meaning given in Section 4.2(f);

“First Nations Claims” means any and all claims (whether or not proven) by any person to or in respect of:

- (a) rights, title or interests of any First Nations Group by virtue of its status as a First Nations Group;
- (b) treaty rights;
- (c) Métis rights, title or interests; or
- (d) specific or comprehensive claims being considered by the Government of Canada,

and includes any alleged or proven failure of the Crown to satisfy any of its duties to any claimant of any of the foregoing, whether such failure is in respect of matters before, on or after the Execution Date;

“First Nations Group” means any Indian band, first nation, Métis community or aboriginal group, tribal council, band council or other aboriginal organization in Canada;

“First Outside Date” means the date that is three (3) months from the Execution Date, provided that, and without limiting the foregoing, the First Closing is anticipated to occur no later than two (2) months from the Execution Date;

“First Royalty Step-Up” has the meaning given in Section 2.2(b);

“Fourth Closing” has the meaning given in Section 7.1;

“Fourth Closing Date” has the meaning given in Section 7.1;

“Fourth Closing Payment” has the meaning given in Section 2.3(d);

“General Security Agreement” means an agreement pursuant to which the grantor grants a security interest to the Royalty Holder in all of its presently held and future acquired property;

“Good Industry Practice” means, in relation to any decision or undertaking, the exercise of that degree of diligence, skill, care, prudence, oversight, economy and stewardship which is commonly observed or would reasonably be expected to be observed by skilled and experienced professionals in the Canadian mining industry engaged in the same type of undertaking under the same or similar circumstances;

“Governmental Body” means any federal, provincial, state, territorial, regional, municipal, local government or authority, quasi government authority, fiscal or judicial body, government or self-regulatory organisation, commission, board, tribunal, organisation, stock exchange or any regulatory, administrative or other agency, or any political or other subdivision, department, or branch of any of the foregoing including any indigenous or native body (or both, as the case may be) exercising governance powers by right, title or custom;

“Gross Proceeds” for any given Quarter means, proceeds received or deemed to be received by the Company from the Sale of Product from the Property, whether processed on or off of the Property, determined as follows, subject to the provisions of Sections 3.1(c) and 9.2(c):

- (a) if any Raw Products or Intermediate Products are treated in a smelter, refinery, or other processing facility and metals recovered therefrom are returned to or credited to the account of the Company or its Affiliates or paid for by the smelter, refinery, or other processing facility, then the Gross Proceeds will be the aggregate quantity of recovered metals (including gold and silver) in such Product so returned, credited or paid for multiplied by the applicable Average Product Price, and if no Average Product Price is available for such recovered metals in such Raw Products or Intermediate Products then Gross Proceeds will be equal to the amount of the proceeds actually received by the Company from the Sale of such Raw Products or Intermediate Products unless such amount is disputed by the Royalty Holder as not being market price;
- (b) if Product is Sold by the Company or its Affiliates in the form of Refined Gold, then such gold will be deemed to have been Sold at the Average Gold Price for the Quarter in which the Refined Gold was Sold, and the Gross Proceeds in respect of Refined Gold will be determined by multiplying the number of troy ounces of Refined Gold for such Quarter by the Average Gold Price for such Quarter;

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- (c) if Product is Sold by the Company or its Affiliates in the form of Refined Silver, then such silver will be deemed to have been Sold at the Average Silver Price for the Quarter in which the Refined Silver was Sold, and the Gross Proceeds in respect of Refined Silver will be determined by multiplying the number of troy ounces of Refined Silver for such Quarter by the Average Silver Price for such Quarter;
 - (d) if Product is Sold by the Company or its Affiliates in the form of Refined Products other than Refined Gold or Refined Silver, then such other Refined Products will be deemed to have been Sold at the applicable Average Product Price for the Quarter in which the other Refined Product was Sold and Gross Proceeds will be determined by multiplying the respective units of Product Sold for such Quarter by the Average Product Price (per each such unit) for such Quarter;
 - (e) if any Product is Sold by the Company or its Affiliates and does not otherwise fit within the parameters of paragraphs (a) through (d) above inclusive (and for such purpose, the Parties agree that paragraphs (a) through (d) above shall be broadly interpreted so as to apply to most Sales of Product), then the Gross Proceeds will be the amount of gross proceeds actually received by the Company or its Affiliates; and
 - (f) if there is a Loss of Product, then the Gross Proceeds will be equal to the sum of the insurance proceeds in respect of such Loss and any Gross Proceeds from the Sale of such Product, determined under this definition of “Gross Proceeds”;

Notwithstanding the foregoing, if the payable metal percentage of gold or silver from the Sale of Products is less than **percentage redacted commercially sensitive information]** then the Gross Proceeds received by the Company (or an Affiliate or, if applicable, an Ore Buyer) from such Sale shall be grossed up to reflect a payable factor of **[percentage redacted commercially sensitive information]**

“**Group Members**” means, from time to time, the Project Entities and their respective Affiliates, and “**Group Member**” means any one of them;

“**Guarantees**” means the guarantee delivered by the Parent and any additional guarantees delivered pursuant to Article 11;

“**Hazardous Substance**” means any pollutant, contaminant, waste, hazardous substance, hazardous material, toxic substance, dangerous substance or dangerous good as defined, judicially interpreted or identified in any Environmental Law, not including ore;

“**HSEC Policy**” means the health, safety, environmental and community policies and operating guidelines for the Project adopted by the board of directors of the Company and/or the Parent, as the same may be amended, revised, supplemented or replaced from time to time;

“**IFRS**” means the International Financial Reporting Standards adopted by the International Accounting Standards Board from time to time;

“**Indemnified Party**” has the meaning given in Section 10.1;

“**In Kind Royalty Option**” means the option to receive the Royalty “in kind” pursuant to the provisions of Section 3.3;

“Insolvency Event” means, in relation to any Person, any one or more of the following events or circumstances:

- (a) proceedings are commenced by a third party for its winding-up, liquidation or dissolution, unless it in good faith actively and diligently contests such proceedings resulting in a dismissal or stay thereof within 30 days after the commencement of such proceedings;
- (b) a decree or order of a Governmental Body is entered (i) adjudging it to be bankrupt or insolvent, or (ii) approving a petition seeking reorganization, arrangement or adjustment of or in respect of it under applicable Law relating to bankruptcy, insolvency or relief of debtors;
- (c) (i) it makes an assignment for the benefit of its creditors, or petitions or applies to any Governmental Body for the appointment of a receiver or trustee for itself or any substantial part of its property; or (ii) it commences for itself or acquiesces in or approves the filing or commencement against it by a creditor or other third party of any proceeding under any applicable Law relating to bankruptcy, insolvency, reorganization, arrangement or readjustment of debt or any proceeding for the appointment of a receiver or trustee for itself or any substantial part of its assets or property, or has a liquidator, administrator, receiver, trustee, conservator or similar person appointed with respect to it or any substantial portion of its property or assets;
- (d) a resolution is passed for its receivership, winding-up or liquidation; or
- (e) anything analogous or having a similar effect to an event listed in subsections (a) through (d) of this definition occurs in respect of that Person;

“Intercreditor Agreement” means a subordination agreement or an intercreditor agreement among the Royalty Holder, Osisko, the Company and the Parent with respect to the Security Documents;

“Interest Rate” means [rate redacted – commercially sensitive information];

“Intermediate Product” means concentrates (including leachates, precipitates, and other concentrates), doré, and other intermediate products, if any, produced from Raw Products, but shall not include cathode or other Refined Products;

“Inventory Period” has the meaning given in Section 9.2(c);

“Law” includes:

- (a) Federal, Provincial, State and local government legislation including regulations and by-laws;
- (b) legislation of any jurisdiction other than those referred to in paragraph (a) with which a Party must comply;
- (c) common law and equity;

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- (d) judgments, decrees, writs, administrative interpretations, guidelines, policies, injunctions, orders or the like, of any Governmental Body with which a Party is legally required to comply; and
 - (e) Governmental Body requirements and consents, certificates, licences, permits and approvals (including conditions in respect of those consents, certificates, licences, permits and approvals);

“LME” means the London Metals Exchange;

“Loss” means an insurable loss of or damage to Product, whether or not occurring on or off the Property and whether the Product is in the possession of the Company, its Affiliates or otherwise;

“Material Adverse Effect” means any change, event, occurrence, condition, circumstance, effect, state of facts or development that has, or would reasonably be expected to have, individually or in the aggregate, a material and adverse effect on:

- (a) the Project or the ability of the Company to explore, construct, develop or operate the Project, substantially in accordance with, as applicable, the Preliminary Project Document or the Development and Mine Plan in effect at the time of the occurrence of such change, event, occurrence, condition, circumstance, effect, state of fact or development, in each case other than: (i) changes in general economic conditions, commodity prices and the general mining industry; ii) the state of the securities, credit, banking, capital or commodity markets in general; (iii) any change relating to the rate at which any currency can be exchanged for any other currency; (iv) general political, economic or financial conditions, including in Canada; (v) any adoption, implementation, change or proposed change in applicable Laws or accounting standards (or in any interpretation of applicable Laws or accounting standards); (vi) any natural disaster or general outbreak of illness (including COVID-19); (vii) any terrorist attack, armed hostilities, military conflicts, or any governmental response to any of the foregoing; in each case, that do not materially and adversely affect the Company disproportionately compared to other comparable mining companies;
- (b) the ability of the Company to perform its material obligations under this Agreement; or
- (c) the legality, validity, binding effect or enforceability of this Agreement, the Royalty or the rights and remedies of the Royalty Holder under this Agreement;

“Material Authorizations” means all Authorizations and Other Rights (including Environmental Authorizations) necessary for (a) the development, construction and/or mining operations of the Project, and (b) the commencement and/or ongoing operation of commercial production transactions in relation to the Project;

“Material Contracts” means:

- (a) in the case of any Contract described in subsections (a), (c) and (e) of the definition of Project Agreement, any such Contract which relates to an integral part of the Project’s ownership, use, construction and/or development the loss of which could

have a material impact on the Project's development and operational timetable or production; and

- (b) in the case of Contracts described in subsections (b) and (d) of the definition of Project Agreement, all such Contracts;
- (c) Contracts (other than the Royalty Documents) (i) involving the potential expenditure by, or revenue to, a Project Entity of more than [**amount redacted commercially sensitive information**] in any given year, or (ii) that cannot be easily replaced without having a material impact on the Project's development and operational timetable or production timetable (and, for certainty, a material impact shall be deemed to have occurred if there is a delay of 30 days or more to the Project's development and operational timetable or production timetable); and
- (d) other Contracts, the breach, loss or termination of which would, or could reasonably be expected to, be material to any of the Project Entities (i) for the continuing operation or development of the Project and that cannot be easily replaced without having a material impact on the Project's development and operational timetable or production timetable (and, for certainty, a material impact shall be deemed to have occurred if there is a delay of 45 days or more on the Project's development and operational timetable or production timetable), or (ii) that would otherwise result in a Material Adverse Effect;

"Maximum Purchase Price" means \$31,250,000;

"Maximum Royalty Percentage" has the meaning given in Section 2.2(d);

"Mill Financing" means any project debt financing obtained for the primary purpose of building an onsite mill on the Property and for any related infrastructure;

"Mineral Reserves" means proven and probable mineral reserves as defined for the purposes of and incorporated under NI 43-101;

"Mineral Resources" means measured, indicated and inferred mineral resources as defined for the purposes of and incorporated under NI 43-101;

"Minimum Royalty Percentage" has the meaning given in Section 2.2(a);

"Net Smelter Returns" means Gross Proceeds less Allowable Deductions;

"NI 43-101" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators (or any successor instrument, rule or policy);

"NI 45-106" means National Instrument 45-106 – *Prospectus Exemptions* of the Canadian Securities Administrators (or any successor instrument, rule or policy);

"Notice" or **"notice"** has the meaning given in Section 18.1;

"Obligations" means all indebtedness, liabilities and other obligations, of any nature or kind, present or future, direct or indirect, absolute or contingent, whether as primary obligor, surety or guarantor, matured or not, and at any time, of any Project Entity to the Royalty Holder under this Agreement;

“OFAC” means The Office of Foreign Assets Control of the US Department of the Treasury;

“Offer” has the meaning given in Section 2.11(a)(ii);

“Offer Acceptance Deadline” has the meaning given in Section 2.11(a)(iv);

“Offer Acceptance Notice” has the meaning given in Section 2.11(a)(iv);

“Offtake Agreement” means any agreement entered into by the Company, its Affiliates or an Ore Buyer (on behalf of or to the benefit of the Company and its Affiliates) with an Offtaker for: (i) the sale of Product (other than Raw Products) to an Offtaker; (ii) the delivery of the entitlement to, or the benefit of, Product (other than Raw Products) to an Offtaker; or (iii) the smelting, refining or other beneficiation of Product (other than Raw Products) by an Offtaker for the benefit of the Company or its Affiliates, as the same may be supplemented, amended, restated or superseded from time to time;

“Offtaker” means any Person (that is not the Company or its Affiliates) that: (i) purchases Product (other than Raw Products) from the Company or its Affiliates; (ii) is the recipient or transferee of title to Product (other than Raw Products) or the recipient of the entitlement to or benefit of Product (other than Raw Products) from the Company or its Affiliates; or (iii) takes delivery of Product (other than Raw Products) for the purpose of smelting, refining or other beneficiation of such Product (other than Raw Products) for the benefit of the Company or its Affiliates;

“Ore Buyer” means any Person (that is not the Company or its Affiliates) that: (i) purchases Raw Product from the Company or its Affiliates; (ii) is the recipient or transferee of title to Raw Product or the recipient of the entitlement to or benefit of Raw Product from the Company or its Affiliates;

“Ore Sales Agreement” means any agreement entered into by the Company or its Affiliates with an Ore Buyer with respect to the processing, milling and/or Sale of Raw Product;

“Osisko” means Osisko Gold Royalties Ltd.;

“Osisko Royalty Purchase Agreement” means to the Royalty Purchase Agreement among the Company, the Parent, New Carolin Gold Corp. and Osisko dated December 2, 2021, as the same may be supplemented, amended, restated or superseded from time to time, provided that such supplement, amendment, restatement or supersedence shall not affect or enlarge the Osisko ROFR Rights in a way that would be detrimental to the Royalty Holder hereunder;

“Osisko ROFR Rights” means the right of first refusal and the right of first offer granted by the Company and the Parent in and to Osisko pursuant to the Osisko Royalty Purchase Agreement;

“Osisko Security” means any first ranking secured interest in favour of Osisko in relation or connection with the Bralorne Royalty Agreement;

“Other Rights” means all licenses, approvals, authorizations, consents, rights (including surface rights, access rights and rights of way), privileges, concessions or franchises held

by a Project Entity or required to be obtained from any Person (other than a Governmental Body) for the development and operation of the Project, as contemplated by the Preliminary Project Document or the then current Development and Mine Plan, as applicable;

“Other Source Product” has the meaning given in Section 9.3;

“Participation Right” has the meaning given in Section 2.11(a)(ii);

“Parties” means the Company, the Parent and the Royalty Holder and **“Party”** means either the Company, the Parent or the Royalty Holder, as the context requires;

“Permitted Asset Disposition” means, as at any particular time, a sale, Transfer or other disposition of: (a) tangible personal property that is no longer required in the conduct of the business of the Project Entities or is being replaced; (b) Product pursuant to this Agreement, any Offtake Agreements, any Ore Sales Agreement, any Production Interest (provided such Production Interest is granted in accordance with this Agreement) or otherwise in the ordinary course of business in compliance with the terms of this Agreement, excluding in each case any such sale, Transfer or other disposition of Product to an Affiliate of the Company; (c) Abandonment Property as permitted under this Agreement or that is not Project Property; and (d) of fixed assets where the proceeds of disposal are used to purchase replacement assets for the Project comparable or superior as to type, value and quality;

“Permitted Encumbrance” means:

- (a) Encumbrances granted to, or arising under, any Security Document or otherwise in favour of the Royalty Holder;
- (b) any security interest or hypothec arising by operation of law or in the ordinary course of business in connection with or to secure the performance of bids, tenders, contracts, leases, statutory obligations, surety bonds or appeal bonds;
- (c) any undetermined or inchoate legal hypothec or prior claim or any like lien or right of set-off arising in the ordinary course of business or under Law, securing obligations incurred in connection with the Property which are not yet overdue or which are being contested or litigated in good faith;
- (d) any Encumbrances:
 - (i) for Taxes, assessments or governmental charges not yet due or being contested in good faith (but only so long as such contest will not involve any possibility of the sale, loss or forfeiture of the Property and, where applicable Law requires such amounts to be paid while being contested, such amounts have been paid); and
 - (ii) incurred, created and granted in the ordinary course of business to a public utility or Governmental Body in connection with operations conducted with respect to the Property, but only to the extent those Encumbrances relate to costs for which payment is not due;

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- (e) any Encumbrance incurred or deposit made in the ordinary course of business in connection with workers' compensation, unemployment insurance or other forms of governmental insurance or benefits;
 - (f) easements, rights of way, servitude and similar rights in land including, but not limited to, rights of way and servitudes for highways and other roads, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric power, telephone, telegraph or cable television conduits, poles, wires and cables which are not material;
 - (g) the right reserved to or vested in any Governmental Body by the terms of any lease, licence, grant or permit forming part of the Property, or by any statutory provision, to terminate any such lease, licence, grant or permit or to require annual or other periodic payments as a condition of the continuance of them, as well as all other reservations, limitations, provisions and conditions in any original grant from Governmental Bodies;
 - (h) pledges and deposits made in good faith and in the ordinary course of business (i) in connection with offers, tenders, leases or contracts (excluding, however, contracts for the borrowing of money or the repayment of money borrowed), or (ii) to secure surety or appeal bonds or the costs of litigation when required by Law;
 - (i) Encumbrances securing purchase-money obligations and capital lease obligations; provided that, (i) such Encumbrance does not extend to any asset other than the property acquired in connection with which such purchase-money obligations was created or assumed, any proceeds thereof and fixed improvements, if any, erected or constructed thereon and (ii) such Encumbrances and the debt secured thereby are incurred simultaneously with such acquisition;
 - (j) Encumbrances in favour of Osisko or its successor or assigns pursuant to the Osisko Security;
 - (k) Encumbrances listed in the Disclosure Letter; and
 - (l) Encumbrances granted to, or arising under, any Mill Financing;

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or other form of enterprise, or any government or any agency or political subdivision thereof;

"Personnel" means, at the relevant time, in relation to a Party, any of its (or any Affiliates') directors, officers or employees;

"Pre-Emptive Right" has the meaning given in Section 2.9(d);

"Preliminary Project Document" means [definition redacted – commercially sensitive information];

"Previous Closing Title Opinion" means, to the extent that any of the First Closing Title Opinion, Second Closing Title Opinion and Third Closing Title Opinion have been delivered to the Royalty Holder by the Company at an applicable Closing pursuant to the

terms of this Agreement, the most recent of such title opinions to have been delivered to the Royalty Holder by the Company;

“Produced Gold” means any and all gold in whatever form or state that is mined, produced, extracted or otherwise recovered from Product, including any gold derived from any processing or reprocessing of any Tailings, and including gold contained in any ore or other products resulting from the further milling, processing or other beneficiation of minerals mined, produced, extracted or otherwise recovered from Product, including concentrates and doré bars;

“Product” means any and all minerals of every nature and kind, (including precious and base metals), in whatever form or state which are mined, produced, excavated, extracted, recovered in soluble solution or otherwise recovered or produced from the Property, and including any such material derived from any processing or reprocessing of any Tailings, and includes all Raw Products, Intermediate Products and Refined Products;

“Production Interest” means a royalty on Product produced from the Property or an arrangement for the purchase and sale of Product based on production from the Property (i.e. without limitation, a Product stream, or other instrument convertible into a Product stream or any financing that is similar to a metals stream), but for greater certainty, a Production Interest does not include any offtake, smelting or refining arrangement or any forward sale or similar arrangement where the Company is obligated to make physical delivery of Product from the Property and where that delivery obligation does not last for more than five years;

“Project” means the Bralorne Gold Project, located in the South Central Mining district in southwestern British Columbia, Canada, near the town of Bralorne, British Columbia, which includes the Project Property and is comprised of three claim blocks: Bralorne, King and Pioneer and owned by the Company, and includes the exploration, mining, development, production, processing, recovery, sale, transportation, storage and delivery operations and assets and infrastructure related thereto;

“Project Agreements” means all Contracts of any Group Member relating to (a) the ownership, lease or use of the Project or the Project Property, (b) the engineering, procurement and construction of the Project or engineering, procurement and construction management of the Project, (c) the development and/or mining operations of the Project, (d) the sale or disposition of Product from the Project, including sales, royalty and streaming agreements, Offtake Agreements, Ore Sales Agreement and other similar arrangements, and (e) any option, right of first refusal or right, title, interest, reservation, claim, rent, royalty, or payment in the nature of rent or royalty, or right capable of becoming an option, right of first refusal or right, title, interest, reservation, claim, rent, royalty, or payment in the nature of rent or royalty, in respect of Project Property, or the Product produced or proceeds therefrom, in each case, whether entered into prior to or after the date of this Agreement;

“Project Entities” means, from time to time and subject to Article 13, the Company, the Parent and any Affiliate of the Company (now or hereafter formed or acquired), that, in each case, holds or acquires a direct or indirect interest in the Project Property (including any interest in the Project Entities) and **“Project Entity”** means any one of them;

“Project Property” means all of the property, assets, undertaking, approvals, licenses, permits and rights of the Company in and relating to the Project, whether now owned or

existing or hereafter acquired or arising, including real property, buildings thereon, fixtures and improvements to real property (including all property, plant and equipment), personal property and mineral interests, and specifically including, but not limited to: (a) the Property and all Products and Tailings; (b) any and all interest in processing facilities; (c) all accounts, instruments, chattel paper, deposit accounts, documents, intangibles, goods (including inventory, equipment and fixtures), money, letter of credit rights, supporting obligations, claims, causes of action and other legal rights and investment property in each case relating to the Project; (d) all Project agreements and any other Contracts relating to the Project; (e) all products, proceeds (including proceeds of proceeds), rents and profits of the foregoing; (f) all licenses, permits approvals, authorizations, consents, rights (including surface rights, access rights and rights of way), privileges, concessions or franchises held or required to be obtained for the development and operation of the Project; and (g) all books and records related to any of the foregoing;

“Property” means the mineral rights as set out in Schedule A and depicted in the map set out in Schedule B to this Agreement together with any present or future mineral rights resulting from renewal, extension, modification, substitution, amalgamation, succession, conversion, demise to lease, renaming or variation of any of those mineral rights or any additional mineral rights deriving from those mineral rights (whether granting or conferring the same, similar or any greater rights and whether extending over the same or a greater or lesser domain) and will automatically include any reacquisition of mineral rights contemplated by Section 9.6;

“Proposed Metal Stream” has the meaning given in Section 2.11(a)(i);

“Purchase Price” has the meaning given in Section 2.2;

“Purchase Price Repayment” has the meaning given in Section 2.13(a);

“Qualified Project Operator”, in respect of a Transfer, means any ultimate parent owner that, collectively with its Subsidiaries, following the completion of such transaction, will have a direct or indirect interest in the Project Property and will have assumed the Company and each guarantor’s obligations under the Royalty Documents and: (a) has sufficient financial resources or has, as determined by the Royalty Holder (as it relates solely to access to financial resources), acting reasonably, access to financial resources (including, for avoidance of doubt, debt or equity financing) and technical and operational capability to develop, own and operate the Projects in accordance with the Preliminary Project Document or the Development and Mine Plan, as applicable, and Good Industry Practice and perform all of the Project Entities’ obligations under the Royalty Documents and all Material Contracts, applicable Laws and Authorizations; and (b) has at least equivalent financial resources and technical and operational capability as the Project Entities taken as a whole;

“Qualifying Parent” means (a) if the Parent is a publicly listed company and the sole shareholder of the Company on the date on which the Repurchase Payment is made, the Parent, or (b) if the Parent is not the sole shareholder of the Company on the date on which the Repurchase Payment is made, then (i) the Company, if the Company is a publicly listed company or (ii) the Person that ultimately Controls the Company, if such Person is a publicly listed company;

“Qualifying Shares” means common shares of a Qualifying Parent issued in accordance with Section 2.9 and Section 2.12, as applicable;

“Quarter” and **“Quarterly”** mean the period commencing on the date that the Company or its Affiliates first receives payment for the Sale of Product or the out-turn of Refined Product by a refinery to the Company’s or its Affiliate’s pool account in respect of Product and expiring on the day preceding the next occurring 1st day of January, April, July or October and thereafter each successive period of 3 calendar months;

“Raw Products” means all ores excavated, extracted, recovered, recovered in soluble solution, produced, mined and removed from the Property in the form of run of mine ore, direct shipment ore and other similar crude or raw ore produced from the Property without further processing other than crushing;

“Refined Gold” means marketable metal bearing material in the form of gold bars or coins that is refined to standards meeting or exceeding 995 parts per 1,000 fine gold, and otherwise conforming to the London Bullion Market Association specifications for good delivery;

“Refined Product” means Refined Gold, Refined Silver and any other refined Product produced from Intermediate Products through refining and/or smelting or equivalent treatment operations;

“Refined Silver” means marketable metal bearing material in the form of silver bars or coins that is refined to standards meeting or exceeding 999 parts per 1,000 fine silver, and otherwise conforming to the London Bullion Market Association specifications for good delivery;

“Related Party” means, with respect to any Group Member: (a) any Affiliate of such Group Member; (b) any director, officer or employee of such Group Member or Affiliate of such Group Member; or (c) any Person that does not deal at arm’s length with such Group Member or any Affiliate, director, officer or employee of such Group Member;

“Repurchase Date” has the meaning given in Section 2.9(b);

“Repurchase Payment” has the meaning given in Section 2.9(a);

“Restricted Payment” means with respect to the Company or any other Project Entities, any payment by such Person to any other Person (a) of any dividends or any other distribution on any shares of its capital or other equity interests, other than dividends or distributions to the Parent in the ordinary course to pay for general and administrative costs attributable to the Company and other Project Entities, (b) on account of, or for the purpose of setting apart any property for a sinking or other analogous fund for, the purchase, redemption, retirement or other acquisition of any shares of its capital or other equity interests or any warrants, options or rights to acquire any such shares, (c) of any principal of, or interest or premium on, or of any amount in respect of a sinking or analogous fund or defeasance fund for, any debt of such Person ranking in right of payment pari passu with or subordinate to the Obligations, (d) on account of the making of any loan or advance to, or arrangement for the purpose of providing funds or credit by the Company or any other Project Entity to a Person that is not also a Project Entity, provided that nothing in this subsection (d) shall prohibit the Parent from making intercompany loans to any of its Subsidiaries, or (e) of any material bonus or comparable payment, or material payment by way of gift or other gratuity, or any management, consulting, monitoring or similar fee, to any Related Party, excluding, for greater certainty, (i) director fees or employment compensation paid in the ordinary course to any director,

officer or employee of the Company or any other Project Entity, on terms consistent with director fees and employment compensation paid by Persons with comparable operations in Canada, and (ii) reimbursement for reasonable and ordinary course expenses related to the business of any such entity incurred by a director, officer or employee of the Company or any other Project Entity in accordance with the policies in effect governing such reimbursements;

“Return Date” means the date on which the Royalty Holder receives from the Company an aggregate amount of payments under this Agreement (including all of the Purchase Price Repayment (if applicable), Repurchase Payments (if applicable), Standby Fees and Royalty payments) that is equivalent to amount of the total Purchase Price paid by the Royalty Holder at the applicable date, plus the aggregate amount (which may not be less than zero) that would need to be paid to the Royalty Holder to yield, after taking into account the date of payment of the Purchase Price to the Company, **[reference redacted – commercially sensitive information]**;

“Royalty” means the Royalty Percentage of the Net Smelter Returns from Product to which the Royalty Holder is entitled pursuant to the terms of this Agreement, exclusive of any and all Taxes and subject to adjustment pursuant to Sections 2.8, 2.9 and 2.10;

“Royalty Documents” means this Agreement and each of the Security Documents;

“Royalty Holder Event of Default” has the meaning given in Section 15.1;

“Royalty Holder’s Portion” has the meaning given in Section 2.11(a)(ii);

“Royalty Percentage” means 1.12%, 3.0%, 4.0% or 5.0% pursuant to Section 2.3 and subject to adjustment pursuant to Sections 2.8, 2.9 and 2.10;

“Royalty Percentage Reduction” has the meaning given in Section 2.10;

“Royalty Repurchase Option” has the meaning given in Section 2.9(a);

“Royalty Statement” has the meaning given in Section 8.2;

“Royalty Step-Up” has the meaning given in Section 2.2(b);

“Sale” or **“Sold”** means the earlier of:

- (a) Transfer of title to Raw Product from the Company or its Affiliates (without duplication) to an Ore Buyer, provided that (i) the Ore Sales Agreement does not provide for or otherwise contemplate further on-selling and Transfer of title of produced Intermediate Product by the Company, its Affiliates or an Ore Buyer (on behalf of or to the benefit of the Company, its Affiliates and, if applicable, the Ore Buyer) to an Offtaker, and (ii) if an Ore Buyer sells any Intermediate Product to any third party, to the extent that settlement sheets in respect of any such transaction are made available to the Company or its Affiliates, such settlement sheets shall be used to determine the final amount of the metal content in the Product Sold in calculating the Royalty;
- (b) Transfer of title to Product (other than Raw Product) from the Company, its Affiliates or an Ore Buyer (on behalf of or to the benefit of the Company, its Affiliates and, if applicable, the Ore Buyer) to an Offtaker (and includes a Transfer

of title to Product (other than Raw Product) transported off the Property that the Company or its Affiliates elects to have credited to or held for its account by an Offtaker);

- (c) any deemed sale pursuant to Section 9.2(c); and
- (d) any Loss prior to any Transfer or deemed Transfer of title to Product;

“Sales Testing Period” has the meaning given in Section 2.13(a);

“Sanctioned Entity” means (a) a country or a government of a country, (b) an agency of the government of a country, (c) an organization directly or indirectly controlled by a country or its government, or (d) a Person resident in or determined to be resident in a country, in each case, that is subject to a country Sanctions program administered and enforced by OFAC or by any Canadian Governmental Body;

“Sanctioned Person” means any Person that:

- (a) is named, identified, described on or included on any of:
 - (i) the lists maintained, issued or made under subsection 83.05(1) of the *Criminal Code*, the *United Nations Act (Canada)*, the *Special Economic Measures Act (Canada)*, the *Justice for Victims of Corrupt Foreign Officials Act (Sergei Magnitsky Law) (Canada)*, and the *Freezing of Assets of Corrupt Foreign Officials Act (Canada)*;
 - (ii) the Denied Persons List, the Entity List or the Unverified List, compiled by the Bureau of Industry and Security, U.S. Department of Commerce;
 - (iii) the List of Statutorily Debarred Parties compiled by the U.S. Department of State;
 - (iv) the Specially Designated Nationals and Blocked Persons List compiled by OFAC;
 - (v) orders issued under the *International Emergency Economic Powers Act*, 50 U.S.C., the *Trading with the Enemy Act*, 50 U.S.C. App. 1 et seq.; or any other enabling legislation or executive order relating thereto, including the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001*, Title III of Pub. L. 107-56;
 - (vi) the annex to, or is otherwise subject to the provisions of, U.S. Executive Order No. 13324; or
 - (vii) any other lists issued under applicable Law relating to economic sanctions, anti-terrorism or anti-money laundering matters; or
- (b) is a Person who is an Affiliate of a Person listed above;

“Sanctions” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by OFAC or any Canadian Governmental Body;

“Second Closing” has the meaning given in Section 5.1;

“Second Closing Date” has the meaning given in Section 5.1;

“Second Closing Payment” has the meaning given in Section 2.3(b);

“Second Closing Title Opinion” has the meaning given in Section 5.2(d)(ii);

“Second Royalty Percentage” has the meaning given in Section 2.2(b);

“Second Royalty Step-Up” has the meaning given in Section 2.2(c);

“Security” means the Encumbrances granted in favour of the Royalty Holder pursuant to the Security Documents;

“Security Documents” means any Guarantees granted in favour of the Royalty Holder in respect of the Obligations, the General Security Agreement, a debenture from each Project Entity holding a direct interest in the Property, the Share Pledge Agreement, and any other security documents held from time to time by the Royalty Holder securing or intended to secure payment and performance of the Obligations, as more particularly set out in Section 11.1;

“Security Release Date” means if, pursuant to the terms of Section 2.12:

- (a) the Purchase Price Repayment does not become due from the Company to the Royalty Holder, then December 31, 2026; or
- (b) the Purchase Price Repayment becomes due from the Company to the Royalty Holder, then the date on which the Company makes the Purchase Price Repayment to the Royalty Holder;

“SEDAR” means the System for Electronic Document Analysis and Retrieval;

“Selling Party” has the meaning given in Section 2.11(a)(i);

“Share Pledge Agreement” means an agreement pursuant to which a grantor pledges its equity interests in, and intercompany debt of, any other Person;

“Subsequent Outside Date” means December 31, 2024;

“Subsidiary” means with respect to any Person, any other Person which is Controlled directly or indirectly by that Person;

“Tailings” means all tailings, waste rock or other waste products derived from the Property;

“Target Amount” has the meaning given in Section 2.13(a);

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

“Taxes” means all taxes, levies and charges of any kind or nature whatsoever imposed or collected by or on behalf of any Governmental Body including corporation income taxes, capital taxes, realty taxes (including utility charges which are collectible like realty taxes),

net proceeds of mines tax, mining taxes and royalties, privilege taxes, excise taxes, business taxes, property transfer taxes, taxes charged on any measure of income or revenue, goods & services tax, harmonized sales tax, turnover, or value added taxes of any nature or kind and any other taxes charged on, or in respect of, the sale or Transfer of goods and property of any kind, customs duties, payroll taxes, levies, stamp taxes, royalties, taxes charged on royalties received by royalty recipients, duties, and all fees, including claim fees, deductions, compulsory loans and withholdings imposed, levied, collected, withheld or assessed as of the Execution Date or at any time in the future, by or on behalf of any Governmental Body of any jurisdiction whatsoever having power to tax, together with penalties, fines, additions to tax and interest thereon;

“Technical Report” means the report titled “NI 43-101 Technical Report and Mineral Resource Estimate for the Bralorne Gold Project, British Columbia, Canada” and prepared by InnovExplo Inc. with an effective date of March 10, 2023;

“Third Closing” has the meaning given in Section 6.1;

“Third Closing Date” has the meaning given in Section 6.1;

“Third Closing Payment” has the meaning given in Section 2.3(c);

“Third Closing Title Opinion” has the meaning given in Section 6.2(d)(ii);

“Third Party” has the meaning given in Section 2.11(a)(i);

“Third Party Offer” has the meaning given in Section 2.11(a)(i);

“Third Party Share Consideration” has the meaning given in Section 2.11(a)(i);

“Third Royalty Percentage” has the meaning given in Section 2.2(c);

“Third Royalty Step-Up” has the meaning given in Section 2.2(d);

“Trading Activities” means any and all activities by which the Company or any of its Affiliates:

- (a) sells or disposes of Product by entering into Offtake Agreements, Ore Sales Agreements or engaging in any sales or dispositions of Product, in any case, for other than market-based prices determined in a manner consistent with customary quotational periods in industry standard offtake agreements, ore sales agreement or toll milling agreements for similar types of minerals;
- (b) engages in any commodity futures trading, forward sale and/or purchase Contracts, options trading or metals trading;
- (c) engages in price protection transactions, arrangements and mechanisms or speculative purchases and sales of forward, futures and option Contracts;
- (d) engages in any other hedging transactions or arrangements similar to those referred to in paragraphs (a), (b) and (c) of this definition; or
- (e) engages in any combination of the foregoing;

“Transfer” means to, directly or indirectly, sell, transfer, assign, convey, dispose or otherwise grant a right, title or interest;

“Trigger Event” means any Company Event of Default or any event or circumstance which, with notice, the passage of time or both, would constitute a Company Event of Default;

“Unused Purchase Price” means the difference between the Maximum Purchase Price and the greater of:

- (a) \$18,750,000; and
- (b) the actual amount of the Purchase Price paid by the Royalty Holder at any given time prior to December 31, 2024;

“VanIAC Rules” has the meaning given in Section 17.3(b)(i); and

“WSMD Procedures” has the meaning given in Section 3.11.

1.2 Interpretation

Unless the context otherwise requires, in this Agreement:

- (a) a reference to a Section or Schedule is a reference to a section of or a schedule to this Agreement;
- (b) the singular includes the plural and conversely and a gender includes all genders;
- (c) a reference to an agreement or document (including a reference to this Agreement) is to the agreement or document as amended, varied, supplemented, novated or replaced except to the extent prohibited by this Agreement or that other agreement or document;
- (d) a reference to a party to an agreement (including this Agreement) or document includes the party’s successors and permitted substitutes (including persons taking by novation) or assigns (and, where applicable, the party’s legal personal representatives);
- (e) a reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation, code, by-law, ordinance or statutory instrument issued under it;
- (f) the word “including” means “including without limitation” and “include” and, “includes” will be construed similarly;
- (g) all provisions requiring a Party to do or refrain from doing something will be interpreted as the covenant of that Party with respect to that matter notwithstanding the absence of the words “covenants” or “agrees” or “promises”;
- (h) all provisions requiring a Party to do something will be interpreted as including the covenant of that Party to cause that thing to be done when the Party cannot directly perform the covenant but can indirectly cause that covenant to be performed, whether by an Affiliate under its control or otherwise;

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- (i) a reference to anything (including a right, obligation or concept) includes a part of that thing, but nothing in this Section 1.2(i) implies that performance of part of an obligation constitutes performance of the obligation;
 - (j) headings and any table of contents or index are for convenience only and do not form part of this Agreement or affect its interpretation;
 - (k) where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning;
 - (l) if an act must be done on a specified day which is not a Business Day, then the act must be done instead on the next Business Day; and
 - (m) a provision of this Agreement must not be construed to the disadvantage of a Party merely because that Party was responsible for the preparation of this Agreement or the inclusion of the provision in this Agreement.

1.3 Currency

Unless otherwise indicated, all references to currency in this Agreement, including “dollars” and “\$” are to lawful money of the United States of America.

1.4 Good Faith

The Parties must deal with each other in good faith in connection with this Agreement and all transactions and dealings contemplated by it. In particular, the Project Entities agree in all dealings in relation to the Property to act in good faith towards the Royalty Holder to preserve its entitlement to the Royalty payable pursuant to Section 2.

1.5 Schedules

The following schedules are attached to and form part of this Agreement:

- Schedule A - Description of Property
- Schedule B - Map of Property
- Schedule C - Sample Purchase Price Repayment Calculation
- Schedule D - Representations and Warranties of the Royalty Holder
- Schedule E - Representations and Warranties of the Project Entities
- Schedule F - Contingent Right Certificate
- Schedule G - **[schedule redacted commercially sensitive information]**

2. NET SMELTER RETURNS ROYALTY

2.1 Purchase of Royalty

In consideration for the promises and covenants of the Company contained in this Agreement, including the grant of the Royalty and obligation to make the Royalty

payments, the Royalty Holder hereby agrees, subject to the satisfaction or waiver of the conditions set forth in Sections 4.4, 5.4, 6.4 and 7.4, as applicable, to pay to the Company the Purchase Price inclusive of all applicable Taxes, in cash by wire transfer of immediately available funds to a bank account in the name of the Company in its country of incorporation notified to the Royalty Holder at least three Business Days prior to the date of the applicable payment.

2.2 Purchase Price

The total consideration payable by the Royalty Holder to the Company for the Royalty shall consist of a minimum of \$7,000,000 and a maximum of \$31,250,000 (the “**Purchase Price**”), as follows:

- (a) \$7,000,000 for the first 1.12% of the Royalty Percentage (the “**Minimum Royalty Percentage**”);
- (b) \$11,750,000 for the next 1.88% of the Royalty Percentage (the “**First Royalty Step-Up**”), if applicable, in which case the Royalty Percentage would be 3.0% (the “**Second Royalty Percentage**”);
- (c) \$6,250,000 for the next 1.0% of the Royalty Percentage (the “**Second Royalty Step-Up**”), if applicable, in which case the Royalty Percentage would be 4.0% (the “**Third Royalty Percentage**”); and
- (d) \$6,250,000 for the next 1.0% of the Royalty Percentage (the “**Third Royalty Step-Up**”), if applicable, in which case the Royalty Percentage would be 5.0% (the “**Maximum Royalty Percentage**”).

2.3 Purchase Price Tranches

The Purchase Price will be payable by the Royalty Holder to the Company as follows:

- (a) \$7,000,000 will be payable to the Company upon the First Closing (the “**First Closing Payment**”) provided that the conditions set forth in Sections 4.4 and 4.5 have been satisfied or waived by the First Outside Date;
- (b) \$11,750,000 will be payable upon the Second Closing (the “**Second Closing Payment**”) provided that the First Closing has been completed and the conditions set forth in Sections 5.4 and 5.5 have been satisfied or waived by the Subsequent Outside Date;
- (c) \$6,250,000 will be payable upon the Third Closing (the “**Third Closing Payment**”) provided the conditions set forth in Sections 6.4 and 6.5 have been satisfied or waived by the Subsequent Outside Date;
- (d) \$6,250,000 will be payable upon the Fourth Closing (the “**Fourth Closing Payment**”) provided the conditions set forth in Sections 7.4 and 7.5 have been satisfied or waived by the Subsequent Outside Date.

For avoidance of doubt, and notwithstanding anything to the contrary in this Agreement, it is understood and agreed that the Company shall have the right to procure that the Third Closing and the Fourth Closing shall occur on a simultaneous basis.

2.4 Use of Purchase Price Proceeds

The Purchase Price must be used by the Company only for pre-development and development capital expenditures and activities relating to the Project, as follows:

- (a) the First Closing Payment must be used for drilling, detailed engineering and working capital;
- (b) the Second Closing Payment must be used for mobilization, site infrastructure, resource conversion drilling and working capital;
- (c) the Third Closing Payment must be used for site infrastructure, mine-start-up capital and working capital; and
- (d) the Fourth Closing Payment must be used for mine start-up capital and working capital,

provided that if the pre-development and development capital expenditures and activities relating to the Project are fully funded without the Company needing to have fully utilized all of the proceeds of the Purchase Price and the Purchase Price Repayment does not become payable then, following December 31, 2026, the Company may use any surplus proceeds for the following purposes in connection with the advancement of, and financing obligations relating to, the Project:

- (e) further exploration, Mineral Resource expansion, permitting and other costs and expenses relating to the Project; and
- (f) general corporate and administrative expenses relating to advancement of the Project, including overhead and advisor fees.

2.5 Net Smelter Returns Royalty

Effective as of the First Closing and upon payment by the Royalty Holder of the First Closing Payment to the Company, the Company hereby creates, grants and conveys to and for the benefit of the Royalty Holder, the Royalty in all Product (at the Minimum Royalty Percentage), and covenants to pay to, or if an election is made pursuant to Section 3.3, deliver to, the Royalty Holder, the Royalty on all Product Sold or otherwise disposed of on and subject to the terms of this Agreement. The Parties acknowledge that the Royalty Percentage of the Royalty may be adjusted in accordance with the terms of this Agreement.

2.6 Interest in the Property

The Parties intend that the Royalty and other Obligations hereunder, to the maximum extent permissible under applicable Law, constitutes an interest in the Property and agree that:

- (a) the Royalty and other Obligations will run with and bind the Property and the title to the Property, and any disposition or Transfer of the Property, or any interest in the Property, will be subject to the Royalty and other Obligations;
- (b) any sale or other disposition by any Project Entity of any interest in the Property will be effective only in accordance with Section 13.2;

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- (c) the Royalty Holder's entitlement to any payments, credits or deliveries due on account of the Royalty will arise at the time of the production of Product, and all such payments, credits or deliveries will be held by the Company in trust for the Royalty Holder until paid, credited or delivered to the Royalty Holder in accordance with the provisions of this Agreement;
 - (d) the Company will, upon request by the Royalty Holder, sign and deliver to the Royalty Holder, and the Royalty Holder may register or otherwise record (or require the Company to register or otherwise record) against the Property, this Agreement or a notice of this Agreement, and any other similar document or documents as the Royalty Holder may request that will have the effect of giving notice of the existence of the Royalty to third Persons, protecting the Royalty Holder's right to receive the Royalty, any Repurchase Payments (if applicable) and the Purchase Price Repayment (if applicable) and other amounts that may payable pursuant to the Obligations, and to the extent contemplated pursuant to Article 11, securing payment or delivery, as applicable, of the Royalty and the performance by the Company of the other Obligations under this Agreement. For greater certainty, this Section 2.6(d) does not obligate any Project Entity to grant any security interests additional to those granted pursuant to Article 11 of this Agreement; and
 - (a) if any renewal, extension, modification, substitution, amalgamation, succession, conversion, demise to lease, renaming or variation of any mineral right is granted as contemplated in the definition of Property, the Company agrees to execute and deliver such document or documents as the Royalty Holder may reasonably request to acknowledge that the Royalty is applicable to the same including any registration or recording document of any nature whatsoever, inclusive of those contemplated in Section 2.6(d).

2.7 Term

- (a) The Royalty will exist in perpetuity. The Royalty will not be terminated by reason of the suspension of operations or closure of any mine or mining operations on the Property. If a court of competent jurisdiction determines that the term or any other provision of this Agreement violates any statutory or common law rule against perpetuities, then the term of this Agreement will automatically be revised and reformed to coincide with the maximum term permitted by the rule against perpetuities or such other provision will automatically be revised and reformed as necessary to comply with the rule against perpetuities and this Agreement will not be terminated solely as a result of a violation of the rule against perpetuities.
- (b) Notwithstanding Section 2.7(a), either Party hereto may terminate this Agreement on written notice to the other Party if the conditions to the First Closing have not been met by the First Outside Date.

2.8 Company Election to Increase Royalty Percentage

- (a) Provided that the Second Closing has occurred, until December 1, 2024, the Company may elect to increase the Second Royalty Percentage by the Second Royalty Step-Up (increasing the Royalty Percentage to the Third Royalty Percentage) by providing 30 days' written notice to the Royalty Holder.

- (b) If the Company makes an election pursuant to Section 2.8(a), the Second Royalty Step-Up will be effective as at the Third Closing with such Third Closing requiring that the conditions precedent set out in Sections 6.4 and 6.5 be satisfied. If the conditions precedent set out in Sections 6.4 and 6.5 are not satisfied prior to the Third Closing pursuant to Article 6, then the Second Royalty Step-Up associated with the Third Closing will not be granted and the Royalty Holder will have no obligations to make the Third Closing Payment.
- (c) Provided that the Third Closing has occurred, until December 1, 2024, the Company may elect to increase the Third Royalty Percentage by the Third Royalty Step-Up (increasing the Royalty Percentage to the Maximum Royalty Percentage) by providing 30 days' written notice to the Royalty Holder.
- (d) If the Company makes an election pursuant to Section 2.8(c), the Third Royalty Step-Up will be effective as at the Fourth Closing with such Fourth Closing requiring that the conditions precedent set out in Sections 7.4 and 7.5 be satisfied. If the conditions precedent set out in Sections 7.4 and 7.5 are not satisfied prior to the Fourth Closing pursuant to Article 7, then the Third Royalty Step-Up associated with the Fourth Closing will not be granted and the Royalty Holder will have no obligations to make the Fourth Closing Payment.
- (e) For greater certainty, the election notices set out in Sections 2.8(a) and 2.8(c) may be delivered to the Royalty Holder simultaneously such that the Second Royalty Percentage shall be increased by the Second Royalty Step-Up and the Third Royalty Step-Up simultaneously (increasing the Royalty Percentage from the Second Royalty Percentage to the Maximum Royalty Percentage) at a single Closing, provided that all of the conditions precedent set out in Sections 6.4, 6.5, 7.4 and 7.5 are satisfied prior to such Closing.

2.9 Royalty Repurchase Option

- (a) Until December 31, 2028 and provided that the Company is not in default of any of its Obligations under this Agreement, the Company will have the exclusive and irrevocable right and option (the “**Royalty Repurchase Option**”), which may be exercised up to two times, to purchase up to an aggregate fifty percent (50%) in total (after exercising one or twice, as the case may be) of the total Royalty Percentage by making a payment in cash by wire transfer or in Qualifying Shares or a combination of cash and Qualifying Shares, in accordance with the remaining provisions of this Section 2.9, to the Royalty Holder (the “**Repurchase Payment**”), the amount of which is subject to Section 2.13(e) and will depend on the date when such Repurchase Payment is made, as follows:

Repurchase Payment received:	Repurchase Payment will be equal to:
On or before December 31, 2024	The Purchase Price paid for the current Royalty Percentage, prorated to reflect the amount of the Royalty Percentage being repurchased, multiplied by 1.20

Repurchase Payment received:	Repurchase Payment will be equal to:
From January 1, 2025 until December 31, 2025	The Purchase Price paid for the current Royalty Percentage, prorated to reflect the amount of the Royalty Percentage being repurchased, multiplied by 1.25
From January 1, 2026 until December 31, 2026	The Purchase Price paid for the current Royalty Percentage, prorated to reflect the amount of the Royalty Percentage being repurchased, multiplied by 1.30
From January 1, 2027 until December 31, 2027	The Purchase Price paid for the current Royalty Percentage, prorated to reflect the amount of the Royalty Percentage being repurchased, multiplied by 1.35
From January 1, 2028 until December 31, 2028	The Purchase Price paid for the current Royalty Percentage, prorated to reflect the amount of the Royalty Percentage being repurchased, multiplied by 1.40

By way of example, if the current Royalty Percentage is 3.0% and the Company exercises its Royalty Repurchase Option to purchase 25% of the current Royalty between January 1, 2027 and December 31, 2027, the Repurchase Payment will be calculated as follows: $1.35 * (\$18,750,000 * 25\%) = \$6,328,125$, and the Royalty Percentage will be reduced from 3.0% to 2.25%.

For greater certainty, if the:

- (i) First Closing occurs, but the Second Closing does not occur, then the Company shall have the right to purchase up to 50% of the Minimum Royalty Percentage (resulting in a remaining Royalty Percentage in favour of the Royalty Holder of no less than 0.56%);
- (ii) the First Closing and Second Closing occur, but the Third Closing and Fourth Closing do not occur, then the Company shall have the right to purchase up to 50% of the Second Royalty Percentage (resulting in a remaining Royalty Percentage in favour of the Royalty Holder of no less than 1.5%);
- (iii) the First Closing, Second Closing and Third Closing occur, but the Fourth Closing does not occur, then the Company shall have the right to purchase up to 50% of the Third Royalty Percentage (resulting in a remaining Royalty Percentage in favour of the Royalty Holder of no less than 2.0%); and

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- (iv) the First Closing, Second Closing, Third Closing and Fourth Closing occur, then the Company shall have the right to purchase up to 50% of the Maximum Royalty Percentage (resulting in a remaining Royalty Percentage in favour of the Royalty Holder of no less than 2.5%).
- (b) If the Company elects to exercise the Royalty Repurchase Option pursuant to Section 2.9(a), the Company must provide to the Royalty Holder a minimum of thirty (30) days prior written notice of the date that it will pay the Repurchase Payment, on such date that is five (5) days following the end of a Quarter (each, a “**Repurchase Date**”). Provided that the Company is not in default of any of its Obligations under this Agreement, upon receipt of the Repurchase Payment (including, if any portion of the Repurchase Payment is to be satisfied in Qualifying Shares, that such shares have been issued in accordance with Section 2.9(c) and Section 2.9(d)) on the fifth (5th) day following the end of a Quarter along with the Royalty payment due for such Quarter, all without set-off or deduction, the Royalty Holder must convey immediately (and in any event within two (2) Business Days) and surrender the applicable percentage of the Royalty that has been repurchased by the Company pursuant to the Royalty Repurchase Option to the Company by way of a mutually agreeable deed in recordable form, and such conveyance will be made free and clear of all Encumbrances arising by, through or under the Royalty Holder. Any such conveyance and surrender will be effective on the date the Repurchase Payment is made.
- (c) The Company will have the option to satisfy its obligation to pay the Repurchase Payment, (i) in cash by wire transfer in good immediately available funds, to such bank account as the Royalty Holder may nominate in writing to the Company, (ii) by the delivery of the equivalent value in Qualifying Shares at a price per Qualifying Share equal to a 5% discount on the five (5) day volume-weighted average trading price of the Qualifying Shares calculated as of the date that is five (5) trading days prior to the applicable Repurchase Date, or (iii) any combination thereof. If the issue of the Qualifying Shares would result in either the Qualifying Parent requiring shareholder approval or the Royalty Holder holding more than 4.9% of the issued and outstanding Qualifying Shares (the “**Estopped Holding**”), then, notwithstanding the foregoing, the amount of the Repurchase Payment shall only include up to the number of Qualifying Shares that can be issued by the Qualifying Parent so as not to require shareholder approval or result in the Royalty Holder holding more than 4.9% of the issued and outstanding Qualifying Shares and the balance of the Repurchase Payment that therefore may not be paid via the issue of Qualifying Shares by reason of the Estopped Holding must be paid in cash. The Company will not be required to deliver fractional Qualifying Shares. If any fractional interest in a Qualifying Share, would, except for the provisions of this Section 2.9(c), be deliverable hereunder, the number of Qualifying Shares to be issued will be rounded down to the nearest whole Qualifying Share where such fractional amount is less than 0.5, and will be rounded up to the nearest whole Qualifying Share where such fractional amount is equal to or greater than 0.5.
- (d) Prior to issuing any Qualifying Shares to the Royalty Holder, the Company must ensure that any required Exchange approvals have been obtained and all necessary corporate action has been taken to authorize the issue of the Qualifying Shares and, if applicable, the delivery of certificates or DRS advice representing the Qualifying Shares. Upon issuance, the Company must ensure that the Qualifying Shares are validly created and issued as fully paid and non-assessable

common shares in such Qualifying Parent, and will have been issued in compliance with all applicable Laws and not in violation of any pre-emptive or similar right that entitles any Person to acquire from the Qualifying Parent any securities of the Qualifying Parent (a “**Pre-Emptive Right**”) and the Company shall give written notice to the Royalty Holder of the waiver or satisfaction of any Pre-Emptive Right by the holder of such Pre-Emptive Right arising as a result of the issuance of Qualifying Shares pursuant to this Section 2.9 immediately following such waiver or satisfaction.

- (e) The Royalty Holder acknowledges that any Qualifying Shares issued hereunder may be subject to the rules of the Exchange or any applicable stock exchange, and the Royalty Holder agrees to comply with all such rules and applicable Laws with respect to the Qualifying Shares. The Royalty Holder acknowledges that the Qualifying Parent will be required to provide to the applicable securities regulatory authorities and any applicable stock exchange the identity and other personal information of the Royalty Holder and its principals and the Royalty Holder hereby agrees thereto.
- (f) For greater certainty, any exercise of the Royalty Repurchase Option will not derogate from, or impact any rights of the Royalty Holder that arose or accrued prior to the date that the Repurchase Payment is made, including any Royalty amounts payable and any audit rights.

2.10 Reduction to Royalty Percentage

Once the Royalty has been paid or delivered to the Royalty Holder, as the case may be, on 1,500,000 ounces of gold produced and Sold from the Property, the then current Royalty Percentage at the time will decrease by 50% (the “**Royalty Percentage Reduction**”).

2.11 Participation Right

- (a) Subject to the Osisko ROFR Rights, which the Royalty Holder acknowledges and agrees takes precedence to the Company’s obligations set out in this Section 2.11, and commencing as at and from the First Closing:
 - (i) until the date that is the fifth anniversary from the First Closing Date, if the Company or any of its Affiliates (the “**Selling Party**”) receive a *bona fide* written offer (the “**Third Party Offer**”) from an arm’s length third Person (which for clarity, excludes Osisko) (the “**Third Party**”) to purchase, option or otherwise acquire, directly or indirectly, in any manner whatsoever, a Production Interest, whether or not coupled with another transaction, embodied within another transaction or disguised within another transaction (the “**Proposed Metal Stream**”), the Selling Party must ensure that the Third Party Offer states the price and all other pertinent terms and conditions upon which the Third Party wishes to complete the Proposed Metal Stream and that the consideration set forth in the Third Party Offer includes cash, securities of a publicly listed company (the “**Third Party Share Consideration**”) or a combination of cash and Third Party Share Consideration. The Selling Party may not complete a Proposed Metal Stream with a Third Party unless and until the Selling Party has complied with the provisions of this Section 2.11. For greater certainty and without

limitation, the Company does hereby covenant and agree to take no acts nor do any matters or things that will result in the circumvention by a Selling Party of the participation right and its far-reaching and all inclusive ambit as contemplated by the intent of this section;

- (ii) after receipt of a Third Party Offer, the Selling Party must deliver a copy of the Third Party Offer to the Royalty Holder (which for clarity and to abridge time frames, will be delivered simultaneous with the delivery to Osisko pursuant to the Osisko ROFR Rights) together with an offer (the “**Offer**”) from the Selling Party and the Third Party, subject to the Osisko ROFR Rights, for the Royalty Holder to participate in the Proposed Metal Stream and acquire an additional Production Interest up to a maximum of 40% of the applicable percentage and price of the Proposed Metal Stream (the “**Royalty Holder’s Portion**”) on the same terms and conditions; provided that, should the consideration for the Proposed Metal Stream exceed \$100,000,000, the applicable percentage and price of the Royalty Holder’s Portion will be proportionately reduced such that the consideration for the Royalty Holder’s Portion will equal no more than \$40,000,000 (the “**Participation Right**”). For greater certainty, the Offer must include:
 - (A) a right for the Royalty Holder, in its sole discretion and subject to the Osisko ROFR Rights, to either elect to accept up to a maximum of 40% of the applicable percentage and price of the Proposed Metal Stream, up to \$40,000,000, or some lesser percentage and price, proportionately reduced; and
 - (B) the Third Party’s acknowledgement that, if the Offer is accepted by the Royalty Holder, then subject to the Osisko ROFR Rights, the Royalty Holder will be a party to the transaction documents for the Proposed Metal Stream and that the Third Party and the Royalty Holder would appoint a collateral agent to act on their collective behalf;
- (iii) the following principles will apply with respect to any Third Party Share Consideration set forth in the Third Party Offer, in order for the consideration to be paid by the Royalty Holder pursuant to the acceptance of the Offer, to be on the same terms and conditions. If the Third Party Offer sets forth consideration to be paid by the Third Party that includes all Third Party Share Consideration or a combination of cash and Third Party Share Consideration, then if the Royalty Holder accepts the Offer (in order to match the Third Party Share Consideration), on closing of the transactions contemplated in the Offer, the Royalty Holder will pay to the Selling Party in cash, the cash equivalent of the Third Party Share Consideration (based on the twenty (20) day volume weighted average trading price of the shares of such Third Party ending on the day prior to the date of the Third Party Offer);
- (iv) the Selling Party will also contemporaneously deliver any and all due diligence materials (which it delivered or made available to the Third Party) to the Royalty Holder. Immediately after the Royalty Holder has received the Offer and the due diligence materials, the Royalty Holder will have twenty (20) Business Days after the date of the Offer (the “**Offer**”

Acceptance Deadline”), to notify the Selling Party that it intends to accept the Offer and exercise the Participation Right, subject to the Osisko ROFR Rights, to acquire the Royalty Holder’s Portion (the “**Offer Acceptance Notice**”). Such notice will also set out the percentage and price that the Royalty Holder intends to acquire, up to the maximum threshold set out in Section 2.11(a)(ii);

- (v) the Company shall notify the Royalty Holder if as and when (i) Osisko exercises, waives or refuses to exercise the Osisko ROFR Rights; (ii) the Osisko ROFR Rights have expired in accordance with their terms; or (iii) closing of the exercise of the Osisko ROFR Rights has not occurred in accordance with its terms;
- (vi) for clarity, if Osisko exercises the Osisko ROFR Rights and completes a transaction with respect to the same, then notwithstanding that the Royalty Holder has delivered an Offer Acceptance Notice, the Royalty Holder shall not have the right to exercise the Participation Right with respect to the applicable Proposed Metal Stream and the only restrictions on the exercise of the Osisko ROFR Rights shall be those set forth in the Osisko Royalty Purchase Agreement;
- (vii) subject to the Osisko ROFR Rights, if the Royalty Holder does intend to accept the Offer and exercise the Participation Right, the transaction with respect to the Royalty Holder’s Portion will be completed concurrently with the completion of the applicable Proposed Metal Stream (which for greater certainty would be proportionately reduced to account for the Royalty Holder’s Portion) with the Third Party from which the Offer originated. The Selling Party will act in a reasonable and timely manner with respect to closing matters;
- (viii) if the Royalty Holder fails to accept the Offer on or prior to the Offer Acceptance Deadline, then unless Osisko has exercised the Osisko ROFR Rights, the Selling Party will have the ninety (90) days provided for in the Osisko Royalty Purchase Agreement to enter into the transaction with respect to the applicable Proposed Metal Stream with the Third Party from which the Offer originated, at a price and on terms set out in the Third Party Offer and in accordance with this Section 2.11;
- (ix) unless Osisko has exercised the Osisko ROFR Rights, if the Selling Party fails to complete the transaction with respect to the applicable Proposed Metal Stream with the Third Party from which the Offer originated within the period set forth in Section 2.11(a)(viii) then the Participation Right herein contained will be deemed to be revived and any subsequent proposal to complete a Proposed Metal Stream must be conducted in accordance with the procedures set forth in this Section 2.11;
- (x) for greater certainty and without limitation, it is understood and agreed that any refusal by the Royalty Holder to accept the Offer as well as any acceptance by the Royalty Holder of a Royalty Holder’s Portion leading to completion of a transaction with respect thereto will in no way be construed as the relinquishment by the Royalty Holder of its Participation Right pursuant to this Section 2.11, it being the specific intention of the Parties

that the Participation Right granted to the Royalty Holder by the Selling Party will apply to all Proposed Metal Streams and Third Party Offers provided to a Selling Party until the date that is the fifth anniversary from the First Closing Date; and

- (xi) notwithstanding anything to the contrary set out herein, the aforementioned Participation Right will not apply in respect of an existing royalty on the Property, nor with any joint venture or similar agreement with arm's length parties in which a party's interest may be diluted to a royalty due to the operation thereof provided that a reasonable person would not determine that the entry into of the joint venture or similar agreement had, as its genesis, the circumvention by a Selling Party of the Participation Right and its far-reaching and all inclusive ambit as contemplated by the intent of this Section 2.11.
- (b) If the Second Closing does not occur due to non-satisfaction or non-waiver of the condition precedent set out in Section 5.4(d), then the Royalty Holder shall forfeit its Participation Right.

2.12 Standby Fee

- (a) A standby fee (the "**Standby Fee**") of **[percentage redacted commercially sensitive information]** per month multiplied by the daily average amount of the Unused Purchase Price shall be payable monthly in arrears by the Company to the Royalty Holder, on the last day of each calendar month until the earliest of:
 - (i) the Second Outside Date (as may be extended by the Parties by mutual agreement), if the Second Closing has not occurred by that date;
 - (ii) the Third Outside Date (as may be extended by the Parties by mutual agreement), if the Third Closing has not occurred by that date;
 - (iii) the date on which the Company notifies the Royalty Holder that it will not make any elections, or further elections, under Section 2.8;
 - (iv) the date on which the Maximum Purchase Price has been paid to the Company; or
 - (v) the Fourth Outside Date.
- (b) **[statement redacted commercially sensitive information]**
- (c) The Company will have the option to satisfy its obligation to pay the Standby Fee, (i) in cash by wire transfer in good immediately available funds, to such bank account as the Royalty Holder may nominate in writing to the Company, (ii) by the delivery of the equivalent value in Qualifying Shares at a price per Qualifying Share equal to a 5% discount on the five (5) day volume-weighted average trading price of the Qualifying Shares calculated as of the date that is five (5) trading days prior to the date on which the Standby Fee is paid, or (iii) any combination thereof. If the issue of the Qualifying Shares would result in either the Qualifying Parent requiring shareholder approval or the Royalty Holder holding more than the Estopped Holding, then, notwithstanding the foregoing, the amount of the Standby Fee shall

only include up to the number of Qualifying Shares that can be issued by the Qualifying Parent so as not to require shareholder approval or result in the Royalty Holder holding more than 4.9% of the issued and outstanding Qualifying Shares and the balance of the Standby Fee that therefore may not be paid via the issue of Qualifying Shares by reason of the Estopped Holding must be paid in cash. The Company will not be required to deliver fractional Qualifying Shares. If any fractional interest in a Qualifying Share, would, except for the provisions of this Section 2.12(c), be deliverable hereunder, the number of Qualifying Shares to be issued will be rounded down to the nearest whole Qualifying Share where such fractional amount is less than 0.5, and will be rounded up to the nearest whole Qualifying Share where such fractional amount is equal to or greater than 0.5.

- (d) Prior to issuing any Qualifying Shares to the Royalty Holder, the Company must ensure that any required Exchange approvals have been obtained and all necessary corporate action has been taken to authorize the issue of the Qualifying Shares and, if applicable, the delivery of certificates or DRS advice representing the Qualifying Shares. Upon issuance, the Company must ensure that the Qualifying Shares are validly created and issued as fully paid and non-assessable common shares in such Qualifying Parent, and will have been issued in compliance with all applicable Laws and not in violation of any Pre-Emptive Right and the Company shall give written notice to the Royalty Holder of the waiver or satisfaction of any Pre-Emptive Right by the holder of such Pre-Emptive Right arising as a result of the issuance of Qualifying Shares pursuant to this Section 2.12 immediately following such waiver or satisfaction.
- (e) The Royalty Holder acknowledges that any Qualifying Shares issued hereunder may be subject to the rules of the Exchange or any applicable stock exchange, and the Royalty Holder agrees to comply with all such rules and applicable Laws with respect to the Qualifying Shares. The Royalty Holder acknowledges that the Qualifying Parent will be required to provide to the applicable securities regulatory authorities and any applicable stock exchange the identity and other personal information of the Royalty Holder and its principals and the Royalty Holder hereby agrees thereto.

2.13 Purchase Price Repayment

- (a) If the aggregate Sales of contained gold in Product during the period commencing on July 1, 2026, and ending on December 31, 2026 (inclusive) (subject to Section 2.13(c), the “**Sales Testing Period**”), is not equal to or greater than 38,000 ounces (the “**Target Amount**”), then the Company will make a cash payment to the Royalty Holder (the “**Purchase Price Repayment**”) equal to the Purchase Price paid for the then current Royalty Percentage (which, if one or more Repurchase Payments set out in Section 2.9(a) has been paid, shall be reduced by a percentage equal to the percentage of the Royalty repurchased, being up to fifty percent (50%)) multiplied by $((T-P)/T) \times (1+r)^Q$, where:

T = the Target Amount;

P = the aggregate Sales of contained gold in Product during the Sales Testing Period;

r = the Quarterly interest rate of 2.5%; and

Q = the number of Quarter ends that have occurred from the First Closing Date up to, and including the last day of the Quarter in which the Sales Testing Period expires.

For example purposes only, sample calculations are provided in Schedule C.

- (b) In the event the Purchase Price Repayment becomes due from the Company to the Royalty Holder pursuant to Section 2.13(a), the Company shall pay to the Royalty Holder on or before the date that is the 6 month anniversary of the date on which the Sales Testing Period expires the Purchase Price Repayment, up to a maximum of:
- (i) \$25,800,000 if the First Closing and Second Closing occur, but no other Closings occur;
 - (ii) \$34,500,000 if the First Closing, Second Closing and Third Closing occur, but the Fourth Closing does not occur; and
 - (iii) \$43,000,000 if all of the Closings occur.

In addition, if the Purchase Price Repayment is not paid on or before the 30th day after the date on which the Sales Testing Period expires, then interest must be paid on the Purchase Price Repayment (compounded monthly) from the 30th day after the date on which the Sales Testing Period expires until Purchase Price Repayment plus accrued interest is paid in full, at the rate per annum which is the Interest Rate on the date that is the 30th day after the date on which the Sales Testing Period expires, calculated daily.

- (c) **[statement redacted commercially sensitive information]**.
- (d) For greater certainty, the Company's payment of the Purchase Price Repayment will not decrease or otherwise affect the Royalty, or the Royalty Holder's right, title and interest therein, or the Royalty Percentage.
- (e) Upon payment of the Purchase Price Repayment by the Company, any future Repurchase Payment set out in Section 2.9(a) shall be reduced by a percentage that is equal to "Y" as calculated by the following formula where "Y" equals $\frac{(T-P)}{T} \times 100\%$, where:

T = the Target Amount; and

P = the aggregate Sales of contained gold in Product during the Sales Testing Period.

3. ROYALTY PAYMENTS

3.1 Commencement of Mining and Accrual of Payment Obligation

- (a) The Company must give not less than fifteen (15) Business Days' written Notice to the Royalty Holder:
- (i) prior to the commencement of mining within the Property;

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- (ii) prior to the first Sale of Product; and
 - (iii) prior to the first Sale of Refined Product (that is not the Sale of Product that is Raw Product or Intermediate Product).
 - (b) Following the first:
 - (i) Sale by the Company or its Affiliates of Product and receipt of payment therefor; or
 - (ii) out turn of Refined Product by a refinery to the pool account of the Company or its Affiliates in respect of Product,

the Company must calculate and pay the Royalty for each Quarter in accordance with this Article 3.

- (c) Where the Sale of Product or the out-turn of Refined Product is made on a provisional basis, the amount of the Royalty payable will be based upon the amount of Refined Product (or other Product) credited by such provisional settlement, but will be adjusted to account for the amount of Refined Product (or other Product) established by final settlement by the Offtaker or Ore Buyer, as applicable.
- (d) The payment of the Royalty based on a deemed Transfer of title to Product transported off the Property that the Company or its Affiliates elects to have credited to or held for its account by an Offtaker will be deemed to be final (subject to Section 3.4) and will not be considered provisional.
- (e) For greater certainty and notwithstanding any other provision of this Agreement, to the extent that the Company or its Affiliates enter into an Ore Sales Agreement, any costs deducted (unless such costs qualify as Allowable Deductions) or profit sharing thereunder shall not be taken into consideration in the calculation of the Royalty or reduce any Royalty payments hereunder. For further clarity, the Royalty shall be calculated on 100% of Product Sold (including Produced Gold and Produced Silver that is Sold), but subject to any applicable payability factors as set out in the definition of "Gross Proceeds".

3.2 Payments

Except when an election is made by the Royalty Holder under Section 3.3, Royalty payments will be due and payable Quarterly within five (5) days following the end of the Quarter in which the obligation to pay the Royalty accrued.

3.3 Election to Receive Payment In Kind

- (a) Subject to Section 3.3(c), on or before November 1 of each year, the Royalty Holder may elect to receive the Royalty on precious metals (gold, silver, and the platinum group metals) from the Property in kind as refined bullion for the upcoming year (or in the case of the year in which Sales of Refined Product as opposed to Raw Product or Intermediate Product commences, the election must be made by the Royalty Holder within ten (10) Business Days of receiving the Notice under Section 3.1(a), and such election is valid commencing on the date on

which the first Sale of Refined Product commences). Notice of election to receive the Royalty for precious metals in kind must be made in writing by the Royalty Holder. If no written election is made, then the Royalty must continue to be paid to the Royalty Holder as it is then being paid.

- (b) If an election to receive the Royalty in kind is made under Section 3.3(a), the Company must credit the Royalty Holder's account with such number of ounces of refined bullion equal to the Royalty Percentage of each such metal contained in the Refined Product Sold during the applicable Quarter, no later than five (5) days after the last day of the relevant Quarter, provided that (i) if Sale and payment for Product Sold are not made in the same Quarter, the refined bullion shall be deemed to be Sold in the Quarter in which the later of Sale or payment for Product Sold occurs, and (ii) if a provisional settlement for a Sale occurs during one Quarter and the final settlement for such Sale occurs in a subsequent Quarter, the adjustment will be taken into account in determining the number of ounces of refined bullion due to the Royalty Holder in the subsequent Quarter. The number of ounces of refined bullion to be credited will be based upon the Royalty Holder's share of production during the relevant period.
- (c) Title to refined bullion delivered to the Royalty Holder under this Agreement will pass to the Royalty Holder at the time such bullion is credited to the Royalty Holder at the mint or refinery.
- (d) The Royalty Holder shall only have the right to elect to exercise the In Kind Royalty Option if the sale of Product by the Company is of Intermediate Product which results in metals recovered and returned or credited to the account of the Company or its Affiliates or Refined Product (and is not the sale of Raw Product).
- (e) The Royalty Holder shall be responsible for any incremental out-of-pocket costs incurred by the Company in providing for in-kind settlement of the Royalty for Refined Product and the Company shall invoice the Royalty Holder for its pro rata share based on the then applicable Royalty Percentage of the applicable Allowable Deductions which invoices shall be due and payable by the Royalty Holder to the Company within 15 days of delivery to the Royalty Holder.
- (f) If the Royalty Holder fails to pay any invoiced amounts of any amounts payable under this Section 3.3 then the Company shall be entitled to reduce the amount of Refined Product to be credited to the Royalty Holder in respect of any subsequent Quarter by an amount that is equivalent in value to the amount of such unpaid invoice. For the purposes of this calculation: (i) the Refined Product shall be valued using the Average Product Price for the Quarter in which such invoiced amounts accrued; and (ii) the currency exchange rate (which may be necessary to convert other than US dollars into US dollars) shall be calculated in accordance with Section 3.10, *mutatis mutandis*.

3.4 Insurance Proceeds

In the event the Company or its Affiliates receive insurance proceeds for any Product that is lost or damaged, the amount received therefrom shall be included in the definition of Gross Proceeds.

3.5 Audit and Adjustments

- (a) Without limiting any other provision of this Agreement, to the extent that the Royalty Holder has any questions regarding the calculation of the Royalty, the Royalty Statement or information provided by an Offtaker or an Ore Buyer, the Royalty Holder may provide notice of such questions to the Company and the Company must forthwith provide background information and documentation relating to the same and work in good faith to resolve the Royalty Holder's questions. If such questions are not resolved within a 60 day period from the date of the questions, then the matter will be referred to independent external experts chosen by the Parties, whose assessment will be final and determinative of the accuracy of such information. This Section 3.5(a) will not limit or restrict the Royalty Holder's inspection or audit rights under any other provision of this Agreement.
- (b) Each Royalty payment will be considered final and in full satisfaction of all obligations of the Company with respect to that payment unless the Royalty Holder gives the Company written notice within **[timing redacted commercially sensitive information]** after receipt by the Royalty Holder of the Royalty Statement (that complies with Section 8.2) that relates to the Royalty payment in question.
- (c) The Royalty Holder may, for a period of ninety (90) Business Days after delivering to the Company the notice under Section 3.5(a), upon reasonable notice and at all reasonable times, have the Company's Books and Records relating to the calculation of the Royalty payment(s) in question audited by an independent firm of chartered professional accountants or certified public accountants selected by the Royalty Holder.
- (d) If an audit conducted in accordance with Section 3.5(c) determines that there has been a deficiency or an excess in the payment made to the Royalty Holder, then such deficiency or excess will be resolved by adjusting the next Royalty payment due. The Royalty Holder may only exercise its audit right once per calendar year unless an audit discloses a deficiency of **[percentage redacted – commercially sensitive information]** or more of the amount due to the Royalty Holder is determined to exist, in which case the Company must pay the costs of such audit and the annual limitation on audits will be suspended until such time as four (4) consecutive audits confirm that no deficiencies in the amount due to the Royalty Holder. Failure on the part of the Royalty Holder to make claim on the Company for adjustment within the **[timing redacted commercially sensitive information]** period specified in Section 3.5(b) will establish the correctness of the Royalty payment and preclude the making of claims for adjustment of the Royalty payment. Notwithstanding the foregoing, if fraud, wilful misconduct or gross negligence is reasonably determined by the Royalty Holder to exist in respect of any Royalty payment, then no time limit will preclude audits and adjustments on past Royalty payments, or if an audit shows a deficiency in the payment made to the Royalty Holder any limits on inspections or grants of access pursuant to Section 8.1 in any given calendar year shall be suspended for one year after receipt of the audit.

3.6 Currency and Wire Transfer

Subject to Section 3.3, all Royalty payments must be made in United States dollars without demand, notice, set-off, or reduction, by wire transfer in good immediately available funds,

to such bank account as the Royalty Holder may nominate in writing to the Company from time to time.

3.7 Late Payment

- (a) If any Party fails to pay any sum payable by it under or in accordance with this Agreement then that Party must pay interest on that sum (compounded monthly) from the due date for payment until that sum plus accrued interest is paid in full at the rate per annum which is the Interest Rate on the date on which the payment was due calculated daily. The right to require payment of interest under this Section 3.7 is without prejudice to any other rights the non-defaulting Party may have against the defaulting Party under this Agreement, at law, in equity or otherwise.
- (b) If the Company is in default of any payment obligation to the Royalty Holder under this Agreement then the Company will automatically, without the Royalty Holder being required to give notice of default, make demand, institute legal or arbitral proceedings or perform any other action, be deemed to be in default of, and in arrears under, this Agreement.

3.8 Disposition of Product, Offtake Agreements and Ore Sales Agreements

- (a) The Company must not dispose of any Products except pursuant to (i) a Sale by the Company of Product to an Offtaker or an Ore Buyer pursuant to an Offtake Agreement or an Ore Sales Agreement, respectively, or (ii) a disposition of Product as waste materials in accordance with Section 9.4.
- (b) The Company must ensure that all Offtake Agreements and Ore Sales Agreements are entered into on arm's length commercial terms, and must include commercially reasonable reporting and payment settlement protocols and provisions that require the delivery of settlement sheets and appropriate and separate sampling and assaying so that the Royalty Holder and the applicable Offtaker or Ore Buyer can determine the grade or content of metals in each delivery to an Offtaker or Ore Buyer, as applicable. Without limiting the foregoing or any other provision of this Agreement, in the event of a dispute between the Company and the Offtaker or Ore Buyer, as applicable, the Company must ensure that an independent third party assay is prepared (and the results of which are provided to the Royalty Holder) with respect to all Products delivered to each Offtaker or Ore Buyer, as applicable, in accordance with Good Industry Practice.
- (c) The Company must take, and must ensure that each of its Affiliates takes, all commercially reasonable steps to enforce its rights and remedies under each Offtake Agreement and Ore Sales Agreement with respect to any breaches of the terms thereof relating to Products. The Company must notify the Royalty Holder in writing when any dispute in respect of a material matter arising out of or in connection with any Offtake Agreement or Ore Sales Agreement is commenced and must provide the Royalty Holder with timely updates of the status of any such dispute and the final decision and award of the court or arbitration panel with respect to such dispute, as the case may be.

3.9 Trading Activities of the Company

- (a) The Company and any of its Affiliates will have the right to engage in Trading Activities which may involve the possible physical delivery of Product.
- (b) The calculation of Net Smelter Returns will not be affected by and the Royalty will not apply to, and the Royalty Holder will not be entitled or required to participate in, any gain or loss of the Company or its Affiliates in Trading Activities or in the actual marketing or sale of Product delivered pursuant to Trading Activities. In determining the Royalty payable on any Product delivered pursuant to Trading Activities, the Company will not be entitled to deduct from Gross Proceeds any losses suffered by the Company or its Affiliates in Trading Activities. For greater certainty, the Royalty payable on any Product that is subject to Trading Activities shall be determined in the same manner as provided in this Article 3, with the understanding that the Product that is subject to Trading Activities shall be deemed to be part of Quarterly production, with the Average Product Price for any applicable Sale of metals or other Products being used in the calculation of the Royalty.

3.10 Currency Calculations

For the purpose of determining the Gross Proceeds:

- (a) all receipts and major disbursements in a currency other than United States dollars must be converted into United States dollars on the day of receipt or disbursement, as the case may be; and
- (b) all other disbursements in a currency other than United States dollars must be converted into United States dollars at the average rate for the month of disbursement,

all such conversions being determined using the Bank of Canada noon rates.

3.11 WSMD Procedures

Regardless of whether Product is first milled or otherwise processed by the Company, its Affiliate or any other third party, the Company must ensure that weighing, sampling, moisture determination and assaying procedures (“**WSMD Procedures**”) (including any WSMD Procedures used by such Affiliate or other third party) are conducted in connection with all shipments of Product delivered to and paid for by Offtakers and Ore Buyers, and that all such WSMD Procedures are conducted in accordance with Good Industry Practice. The Company must provide, or cause any Affiliate or other third party that first mills or otherwise processes Product to provide, to the Royalty Holder the required information pursuant to Section 8.2, including, upon request from the Royalty Holder, the Books and Records relevant to the weighing, sampling, moisture determination and assaying of the Product subject to such shipments.

4. FIRST CLOSING PROCESS AND CLOSING CONDITIONS

4.1 First Closing

The closing for the grant and conveyance of the Royalty in the amount of the Minimum Royalty Percentage and for the payment of the First Closing Payment (the “**First Closing**”) will be completed electronically, at 9:00 a.m., Vancouver time, on the third Business Day after the conditions set forth in Sections 4.4 and 4.5 have been satisfied or waived (other than conditions which by their nature can only be satisfied at First Closing and are expected to be satisfied at First Closing, such as, without limitation, the delivery of legal opinions and other certificates), unless another place, time or date is agreed to in writing by the Parties (such date, the “**First Closing Date**”).

4.2 First Closing Date Deliveries by the Company

The Company must deliver to the Royalty Holder on the First Closing Date:

- (a) a certificate of existence, status or good standing for each of the Project Entities dated no earlier than five days prior to the First Closing Date;
- (b) evidence in writing to the satisfaction of the Royalty Holder that the Project Entities have made or obtained all necessary filings, notices, approvals, consents or acceptances of the Exchange, in order to complete and perform each transaction contemplated under this Agreement to be performed by any of them, other than any issuance of Qualifying Shares pursuant to Section 2.9 or Section 2.12;
- (c) a certificate from each of the Project Entities executed by a senior officer of the applicable Project Entity, in form and substance satisfactory to the Royalty Holder, acting reasonably, dated as of the First Closing Date, as to (A) the constating documents of the Project Entity, (B) the resolutions of the board of directors of the applicable Project Entity authorizing the execution, delivery and performance of this Agreement and the transactions contemplated hereby, (C) the names, positions and true signatures of the Persons authorized to sign this Agreement on behalf of the applicable Project Entity, and (D) such other matters pertaining to the transactions contemplated hereby or thereby as the Royalty Holder may reasonably require;
- (d) a certificate from each of the Project Entities executed by a senior officer of the applicable Project Entity, confirming the matters set forth in Section 4.4(b);
- (e) one or more opinions on customary terms, subject to standard qualifications and assumptions, in form and substance satisfactory to the Royalty Holder and its counsel, acting reasonably, dated as of the First Closing Date, from external legal counsel to the Company, including as to (A) the legal status of Company, (B) the corporate power and authority of the Company to execute, deliver and perform this Agreement, (C) the authorization, execution and delivery of this Agreement, (D) the enforceability of this Agreement, (E) in reliance on an officers’ certificate, no breach of applicable Law, and (F) the creation and perfection of the security interests created by the Security Documents;

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- (f) a title opinion dated as of the First Closing Date with respect to the Company's title to the Property (the "**First Closing Title Opinion**"), in form and substance satisfactory to the Royalty Holder, acting reasonably;
 - (g) such other deeds, agreements, instruments, certificates and other documents dated as of the First Closing Date as are, in the opinion of the Royalty Holder, reasonably necessary or desirable to consummate the transactions contemplated as part of the First Closing;
 - (h) any notice requested by the Royalty Holder pursuant to Section 2.6(d); and
 - (i) a certificate executed by a senior officer of the Parent in the form set out in Schedule F representing the Contingent Rights.

4.3 First Closing Date Deliveries by the Royalty Holder

The Royalty Holder must deliver to the Company on the First Closing Date:

- (a) a certificate of existence, status or good standing for the Royalty Holder dated no earlier than five days prior to the First Closing Date;
- (b) a certificate executed by a senior officer of the Royalty Holder, in form and substance satisfactory to the Company, acting reasonably, dated as of the First Closing Date, as to (A) its constating documents, (B) the resolutions of the board of directors of the Royalty Holder authorizing the execution, delivery and performance of this Agreement and the transactions contemplated hereby, (C) the names, positions and true signatures of the Persons authorized to sign this Agreement on behalf of the Royalty Holder, and (D) and such other matters pertaining to the transactions contemplated hereby as the Company may reasonably require;
- (c) a certificate executed by a senior officer of the Royalty Holder, confirming the matters set forth in Section 4.5(b); and
- (d) the First Closing Payment, delivered in the manner provided by Section 2.1.

4.4 First Closing Conditions in Favour of the Royalty Holder

The conditions to First Closing in favour of the Royalty Holder are as follows:

- (a) delivery of the items in Section 4.2 has occurred;
- (b) as of the First Closing Date:
 - (i) all of the representations and warranties made by the Project Entities in this Agreement as of the Execution Date are true and correct in all material respects (or true and correct in all respects in the case of representations and warranties that are qualified by materiality) on and as of the First Closing Date as if made on such date;
 - (ii) each Project Entity has performed in all material respects all of its respective obligations hereunder required to be performed on or prior to the First Closing Date;

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- (iii) the Project Entities making or obtaining all necessary filings, notices, approvals, consents or acceptances of the Exchange, in order to complete and perform each transaction contemplated under this Agreement to be performed by any of them, other than any issuance of Qualifying Shares pursuant to Section 2.9 or Section 2.12;
 - (iv) the Project Entities obtaining all other necessary third party consents to the dealings with the Property contemplated by this Agreement including any consent or approval that is required under applicable Law, by virtue of a condition or covenant of any mineral rights forming part of the Property or by the terms of any material agreements;
 - (v) no Material Adverse Effect will have occurred since the Execution Date; and
 - (vi) the Company will have delivered to the Royalty Holder a certificate dated as of the First Closing Date of a senior officer, in form and substance satisfactory to the Royalty Holder acting reasonably, confirming the foregoing; and
- (c) no provision of any applicable Law or any action by any Governmental Body having competent jurisdiction will prohibit the First Closing or adversely affect in any material respect the Royalty Holder's rights, obligations or benefits under this Agreement, and no judgment, injunction, order or decree issued by any Governmental Body having competent jurisdiction will prohibit the First Closing or adversely affect in any material respect the Royalty Holder's rights, obligations or benefits under this Agreement.

The conditions in this Section 4.4 are for the benefit of the Royalty Holder and cannot be waived or extended unless agreed in writing by the Royalty Holder.

4.5 First Closing Conditions in Favour of the Company

The conditions to First Closing in favour of the Company are as follows:

- (a) delivery of the items in Section 4.3 has occurred;
- (b) as of the First Closing Date:
 - (i) all of the representations and warranties made by the Royalty Holder in this Agreement as of the Execution Date are true and correct in all material respects (or true and correct in all respects in the case of representations and warranties that are qualified by materiality) on and as of the First Closing Date as if made on such date except as would not have a material adverse effect on the ability of the Royalty Holder to perform its obligations under this Agreement;
 - (ii) the Royalty Holder has performed in all material respects all of its obligations hereunder required to be performed on or prior to the First Closing Date; and

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- (iii) the Royalty Holder will have delivered to the Company a certificate dated as of the First Closing Date of a senior officer, in form and substance satisfactory to the Company acting reasonably, confirming the foregoing;
- (c) as of the First Closing Date:
- (i) the Project Entities making or obtaining all necessary filings, notices, approvals, consents or acceptances of the Exchange, in order to complete and perform each transaction contemplated under this Agreement to be performed by any of them, other than any issuance of Qualifying Shares pursuant to Section 2.9 or Section 2.12; and
 - (ii) the Project Entities obtaining all other necessary third party consents to the dealings with the Property contemplated by this Agreement including any consent or approval that is required under applicable Law, by virtue of a condition or covenant of any mineral rights forming part of the Property or by the terms of any material agreements; and
- (d) no provision of any applicable Law or any action by any Governmental Body having competent jurisdiction will prohibit the First Closing or adversely affect in any material respect the Company's rights, obligations or benefits under this Agreement, and no judgment, injunction, order or decree issued by any Governmental Body having competent jurisdiction will prohibit the First Closing or adversely affect in any material respect the Company's rights, obligations or benefits under this Agreement.

The conditions in this Section 4.5 are for the benefit of the Company and cannot be waived or extended unless agreed in writing by the Company.

4.6 Co-operation

Each Party must at its own cost use its reasonable efforts and co-operate with the other Party to procure satisfaction of the conditions in Sections 4.4 and 4.5 as quickly as possible.

4.7 Non-Satisfaction

If any condition in Sections 4.4 or 4.5 is not satisfied or waived by the First Outside Date, then a Party whose benefit that condition is for may:

- (a) by notice to the other Party terminate this Agreement; or
- (b) extend the First Outside Date with the written consent of the other Parties on one or more occasions.

4.8 Rights on Termination

If this Agreement is terminated under Section 4.7 then, in addition to any other rights, powers or remedies provided by Law:

- (a) this Agreement will be at an end; and

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- (b) each Party is released from its obligation to further perform this Agreement except under those provisions imposing on it obligations of confidentiality.

5. SECOND CLOSING PROCESS AND CLOSING CONDITIONS

5.1 Second Closing

Provided the First Closing has occurred, the closing for the grant and conveyance of the Royalty Step-Up to increase in the Royalty Percentage to the Maximum Royalty Percentage, and for the payment of the Second Closing Payment (the “**Second Closing**”) will be completed electronically, at 9:00 a.m., Vancouver time, on the third Business Day after the conditions set forth in Sections 5.4 and 5.5 have been satisfied or waived (other than conditions which by their nature can only be satisfied at Second Closing and are expected to be satisfied at Second Closing, such as, without limitation, the delivery of legal opinions and other certificates), unless another place, time or date is agreed to in writing by the Parties (such date, the “**Second Closing Date**”).

5.2 Second Closing Date Deliveries by the Company

The Company must deliver to the Royalty Holder on the Second Closing Date:

- (a) a certificate of existence, status or good standing for each of the Project Entities dated no earlier than five days prior to the Second Closing Date;
- (b) a certificate from each of the Project Entities executed by a senior officer of the applicable Project Entity, confirming the matters set forth in Section 5.4(c);
- (c) any amendments or revisions to the Security Documents duly executed by each applicable Project Entity in form and substance satisfactory to the Royalty Holder and its counsel, acting reasonably, required to reflect the increased Royalty Percentage, together with evidence that all Encumbrances pursuant to such amendments or revised Security Documents have been duly perfected and registered, or submitted for registration as it relates to real property, in all jurisdictions required or desired by the Royalty Holder in order to establish the Royalty Holder’s intended priority of Security (subject to Article 11) in all relevant jurisdictions;
- (d) either:
 - (i) if there have been no changes to the underlying title to the Property (other than registrations entered against the Property as a result of this Agreement) such that a title opinion delivered at the Second Closing would be the same, in all material respects, as the First Closing Title Opinion (other than registrations entered against the Property as a result of this Agreement), then a certificate executed by a senior officer of the Company confirming that the First Closing Title Opinion remains true and correct in all material respects; or
 - (ii) if there have been changes to the underlying title to the Property (other than registrations entered against the Property as a result of this Agreement) such that a title opinion delivered at the Second Closing would not be the same, in all material respects, as the First Closing Title Opinion

(other than registrations entered against the Property as a result of this Agreement), an updated title opinion dated as of the Second Closing Date (the “**Second Closing Title Opinion**”) with respect to the Company’s title to the Property, in form and substance satisfactory to the Royalty Holder, acting reasonably;

- (e) the Security Documents duly executed by each applicable Project Entity in form and substance satisfactory to the Royalty Holder and its counsel, acting reasonably, together with evidence that all Encumbrances pursuant to the Security Documents have been duly perfected and registered, or submitted for registration as it relates to real property registrations, in all jurisdictions required or desired by the Royalty Holder in order to establish the Royalty Holder’s intended priority of Security (subject to Article 11) in all relevant jurisdictions;
- (f) to the extent deemed necessary by Osisko, an executed copy of the Intercreditor Agreement;
- (g) such other deeds, agreements, instruments, certificates and other documents dated as of the Second Closing Date as are, in the opinion of the Royalty Holder, reasonably necessary or desirable to consummate the transactions contemplated as part of the Second Closing; and
- (h) any notice requested by the Royalty Holder pursuant to Section 2.6(d).

5.3 Second Closing Date Deliveries by the Royalty Holder

The Royalty Holder must deliver to the Company on the Second Closing Date:

- (a) a certificate of existence, status or good standing for the Royalty Holder dated no earlier than five days prior to the Second Closing Date;
- (b) a certificate executed by a senior officer of the Royalty Holder, confirming the matters set forth in Section 5.5(b); and
- (c) the Second Closing Payment, delivered in the manner provided by Section 2.1.

5.4 Second Closing Conditions in Favour of the Royalty Holder

The conditions to Second Closing in favour of the Royalty Holder are as follows:

- (a) the First Closing has occurred;
- (b) delivery of the items in Section 5.2 has occurred;
- (c) as of the Second Closing Date:
 - (i) all of the representations and warranties made by the Project Entities in this Agreement as of the Execution Date are true and correct in all material respects (or true and correct in all respects in the case of representations and warranties that are qualified by materiality) on and as of the Second Closing Date as if made on such date;

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- (ii) each Project Entity has performed in all material respects all of its respective obligations hereunder required to be performed on or prior to the Second Closing Date;
 - (iii) the Project Entities obtaining all other necessary third party consents to the dealings with the Property contemplated as part of the Second Closing including any consent or approval that is required under applicable Law, by virtue of a condition or covenant of any mineral rights forming part of the Property or by the terms of any material agreements;
 - (iv) no Material Adverse Effect will have occurred since the Execution Date;
 - (v) the Company will have delivered to the Royalty Holder a certificate dated as of the Second Closing Date of a senior officer, in form and substance satisfactory to the Royalty Holder acting reasonably, confirming the foregoing;
- (d) the Royalty Holder is satisfied, in its sole and absolute discretion, with the results of the drilling and detailed engineering that are produced by the Company and delivered to the Royalty Holder as a result of the First Closing Payment;
- (e) the Company shall have entered into one or more Ore Sales Agreements [**criteria redacted – commercially sensitive information**]
- (f) [**condition redacted – commercially sensitive information**];
- (g) [**condition redacted – commercially sensitive information**]; and
- (h) no provision of any applicable Law or any action by any Governmental Body having competent jurisdiction will prohibit the Second Closing or adversely affect in any material respect the Royalty Holder's rights, obligations or benefits under this Agreement, and no judgment, injunction, order or decree issued by any Governmental Body having competent jurisdiction will prohibit the Second Closing or adversely affect in any material respect the Royalty Holder's rights, obligations or benefits under this Agreement.

The conditions in this Section 5.4 are for the benefit of the Royalty Holder and cannot be waived or extended unless agreed in writing by the Royalty Holder.

5.5 Second Closing Conditions in Favour of the Company

The conditions to Second Closing in favour of the Company are as follows:

- (a) delivery of the items in Section 5.3 has occurred;

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- (b) as of the Second Closing Date:
- (i) all of the representations and warranties made by the Royalty Holder in this Agreement as of the Execution Date are true and correct in all material respects (or true and correct in all respects in the case of representations and warranties that are qualified by materiality) on and as of the Second Closing Date as if made on such date except as would not have a material adverse effect on the ability of the Royalty Holder to perform its obligations under this Agreement;
 - (ii) the Royalty Holder has performed in all material respects all of its obligations hereunder required to be performed on or prior to the Second Closing Date; and
 - (iii) the Royalty Holder will have delivered to the Company a certificate dated as of the Second Closing Date of a senior officer, in form and substance satisfactory to the Company acting reasonably, confirming the foregoing; and
- (c) no provision of any applicable Law or any action by any Governmental Body having competent jurisdiction will prohibit the Second Closing or adversely affect in any material respect the Company's rights, obligations or benefits under this Agreement, and no judgment, injunction, order or decree issued by any Governmental Body having competent jurisdiction will prohibit the Second Closing or adversely affect in any material respect the Company's rights, obligations or benefits under this Agreement.

The conditions in this Section 5.5 are for the benefit of the Company and cannot be waived or extended unless agreed in writing by the Company.

5.6 Co-operation

Each Party must at its own cost use its reasonable efforts and co-operate with the other Party to procure satisfaction of the conditions in Sections 5.4 and 5.5 as quickly as possible.

5.7 Non-Satisfaction

If any condition in Sections 5.4 or 5.5 is not satisfied or waived by the Second Outside Date, then, unless the Parties extend the Second Outside Date with the written consent of the other Parties on one or more occasions, the Second Closing will not occur and the Second Closing Payment will not become payable by the Royalty Holder to the Company. The Parties agree that, if the Second Closing does not occur, neither the Royalty nor the Royalty Holder's right and interest therein will be affected.

6. THIRD CLOSING PROCESS AND CLOSING CONDITIONS

6.1 Third Closing

In the event the Company elects pursuant to Section 2.8 to grant to the Royalty Holder the Second Royalty Step Up and provided the Second Closing has occurred, the closing for the grant and conveyance of the Second Royalty Step-Up to increase in the Royalty

Percentage to the Third Royalty Percentage and for the payment of the Third Closing Payment (the “**Third Closing**”) will be completed electronically, at 9:00 a.m., Vancouver time, on the third Business Day after the conditions set forth in Sections 6.4 and 6.5 have been satisfied or waived (other than conditions which by their nature can only be satisfied at Third Closing and are expected to be satisfied at Third Closing, such as, without limitation, the delivery of legal opinions and other certificates), unless another place, time or date is agreed to in writing by the Parties (such date, the “**Third Closing Date**”).

6.2 Third Closing Date Deliveries by the Company

The Company must deliver to the Royalty Holder on the Third Closing Date:

- (a) a certificate of existence, status or good standing for each of the Project Entities dated no earlier than five days prior to the Third Closing Date;
- (b) a certificate from each of the Project Entities executed by a senior officer of the applicable Project Entity, confirming the matters set forth in Section 6.4(c);
- (c) any amendments or revisions to the Security Documents duly executed the Company in form and substance satisfactory to the Royalty Holder and its counsel, acting reasonably, required to reflect the increased Royalty Percentage, together with evidence that all Encumbrances pursuant to such amendments or revised Security Documents have been duly perfected and registered, or submitted for registration as it relates to real property, in all jurisdictions required or desired by the Royalty Holder in order to establish the Royalty Holder’s intended priority of Security (subject to Article 11) in all relevant jurisdictions (other than any jurisdictions where the cost of such registration would be excessive in relation to the value of the property secured thereby);
- (d) either:
 - (i) if there have been no changes to the underlying title to the Property (other than registrations entered against the Property as a result of this Agreement) such that a title opinion delivered at the Third Closing would be the same, in all material respects, as the Previous Closing Title Opinion (other than registrations entered against the Property as a result of this Agreement), then a certificate executed by a senior officer of the Company confirming that the Previous Closing Title Opinion remains true and correct in all material respects; or
 - (ii) if there have been changes to the underlying title to the Property (other than registrations entered against the Property as a result of this Agreement) such that a title opinion delivered at the Third Closing would not be the same, in all material respects, as the Previous Closing Title Opinion (other than registrations entered against the Property as a result of this Agreement), an updated title opinion dated as of the Third Closing Date (the “**Third Closing Title Opinion**”) with respect to the Company’s title to the Property, in form and substance satisfactory to the Royalty Holder, acting reasonably; and
- (e) any notice requested by the Royalty Holder pursuant to Section 2.6(d).

6.3 Third Closing Date Deliveries by the Royalty Holder

The Royalty Holder must deliver to the Company on the Third Closing Date:

- (a) a certificate of existence, status or good standing for the Royalty Holder dated no earlier than five days prior to the Third Closing Date;
- (b) a certificate executed by a senior officer of the Royalty Holder, confirming the matters set forth in Section 6.5(b); and
- (c) the Third Closing Payment and if applicable the Fourth Closing Payment, delivered in the manner provided by Section 2.1.

6.4 Third Closing Conditions in Favour of the Royalty Holder

The conditions to Third Closing in favour of the Royalty Holder are as follows:

- (a) the Second Closing has occurred;
- (b) delivery of the items in Section 6.2 has occurred;
- (c) as of the Third Closing Date:
 - (i) all of the representations and warranties made by the Project Entities in this Agreement as of the Execution Date are true and correct in all material respects (or true and correct in all respects in the case of representations and warranties that are qualified by materiality) on and as of the Third Closing Date as if made on such date;
 - (ii) each Project Entity has performed in all material respects all of its respective obligations hereunder required to be performed on or prior to the Third Closing Date;
 - (iii) the Project Entities obtaining all other necessary third party consents to the dealings with the Property contemplated as part of the Third Closing including any consent or approval that is required under applicable Law, by virtue of a condition or covenant of any mineral rights forming part of the Property or by the terms of any material agreements;
 - (iv) no Material Adverse Effect will have occurred since the Execution Date;
 - (v) the Company will have delivered to the Royalty Holder a certificate dated as of the Third Closing Date of a senior officer, in form and substance satisfactory to the Royalty Holder acting reasonably, confirming the foregoing;
- (d) **[condition redacted – commercially sensitive information];**
- (e) **[condition redacted – commercially sensitive information];**
- (f) **[condition redacted – commercially sensitive information];** and

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- (g) no provision of any applicable Law or any action by any Governmental Body having competent jurisdiction will prohibit the Third Closing or adversely affect in any material respect the Royalty Holder's rights, obligations or benefits under this Agreement, and no judgment, injunction, order or decree issued by any Governmental Body having competent jurisdiction will prohibit the Third Closing or adversely affect in any material respect the Royalty Holder's rights, obligations or benefits under this Agreement.

The conditions in this Section 6.4 are for the benefit of the Royalty Holder and cannot be waived or extended unless agreed in writing by the Royalty Holder.

6.5 Third Closing Conditions in Favour of the Company

The conditions to Third Closing in favour of the Company are as follows:

- (a) delivery of the items in Section 6.3 has occurred;
- (b) as of the Third Closing Date:
- (i) all of the representations and warranties made by the Royalty Holder in this Agreement as of the Execution Date are true and correct in all material respects (or true and correct in all respects in the case of representations and warranties that are qualified by materiality) on and as of the Third Closing Date as if made on such date except as would not have a material adverse effect on the ability of the Royalty Holder to perform its obligations under this Agreement;
 - (ii) the Royalty Holder has performed in all material respects all of its obligations hereunder required to be performed on or prior to the Third Closing Date; and
 - (iii) the Royalty Holder will have delivered to the Company a certificate dated as of the Third Closing Date of a senior officer, in form and substance satisfactory to the Company acting reasonably, confirming the foregoing; and
- (c) no provision of any applicable Law or any action by any Governmental Body having competent jurisdiction will prohibit the Third Closing or adversely affect in any material respect the Company's rights, obligations or benefits under this Agreement, and no judgment, injunction, order or decree issued by any Governmental Body having competent jurisdiction will prohibit the Third Closing or adversely affect in any material respect the Company's rights, obligations or benefits under this Agreement.

The conditions in this Section 6.5 are for the benefit of the Company and cannot be waived or extended unless agreed in writing by the Company.

6.6 Co-operation

Each Party must at its own cost use its reasonable efforts and co-operate with the other Party to procure satisfaction of the conditions in Sections 6.4 and 6.5 as quickly as possible.

6.7 Non-Satisfaction

If any condition in Sections 6.4 and 6.5 is not satisfied or waived by the Third Outside Date, then, unless the Parties extend the Third Outside Date with the written consent of the other Parties on one or more occasions, the Third Closing will not occur and the Third Closing Payment will not become payable by the Royalty Holder to the Company. The Parties agree that, if the Third Closing does not occur, neither the Royalty nor the Royalty Holder's right and interest therein will be affected, save and except as otherwise provided herein to the contrary.

7. FOURTH CLOSING PROCESS AND CLOSING CONDITIONS

7.1 Fourth Closing

In the event the Company elects pursuant to Section 2.8 to grant to the Royalty Holder (and the same is not part of the Third Closing) the Third Royalty Step Up, then the closing for the grant and conveyance of the Third Royalty Step-Up for the Maximum Royalty Percentage and for the payment of the Fourth Closing Payment pursuant to Section 2.3(d) (the "**Fourth Closing**") will be completed electronically, at 9:00 a.m., Vancouver time, on the third Business Day after the conditions set forth in Sections 7.4 and 7.5 have been satisfied or waived (other than conditions which by their nature can only be satisfied at the applicable Fourth Closing and are expected to be satisfied at the applicable Fourth Closing, such as, without limitation, the delivery of certificates), unless another place, time or date is agreed to in writing by the Parties (the "**Fourth Closing Date**").

7.2 Fourth Closing Date Deliveries by the Company

The Company must deliver to the Royalty Holder on the Fourth Closing Date:

- (a) a certificate of existence, status or good standing for each of the Project Entities dated no earlier than five days prior to the applicable Fourth Closing Date;
- (b) a certificate from each of the Project Entities executed by a senior officer of the applicable Project Entity, confirming the matters set forth in Section 7.4(c);
- (c) any amendments or revisions to the Security Documents duly executed by each the Company in form and substance satisfactory to the Royalty Holder and its counsel, acting reasonably, required to reflect the increased Royalty Percentage, together with evidence that all Encumbrances pursuant to such amendments or revised Security Documents have been duly perfected and registered in all jurisdictions required or desired by the Royalty Holder in order to establish the Royalty Holder's intended priority of Security (subject to Article 11) in all relevant jurisdictions (other than any jurisdictions where the cost of such registration would be excessive in relation to the value of the property secured thereby);
- (d) either:
 - (i) if there have been no changes to the underlying title to the Property (other than registrations entered against the Property as a result of this Agreement) such that a title opinion delivered at the Fourth Closing would be the same, in all material respects, as the Previous Closing Title Opinion (other than registrations entered against the Property as a result of this

Agreement), then a certificate executed by a senior officer of the Company confirming that the Previous Closing Title Opinion remains true and correct in all material respects; or

- (ii) if there have been changes to the underlying title to the Property (other than registrations entered against the Property as a result of this Agreement) such that a title opinion delivered at the Fourth Closing would not be the same, in all material respects, as the Previous Closing Title Opinion (other than registrations entered against the Property as a result of this Agreement), an updated title opinion dated as of the Fourth Closing Date with respect to the Company's title to the Property, in form and substance satisfactory to the Royalty Holder, acting reasonably; and

- (e) any notice requested by the Royalty pursuant to Section 2.6(d).

7.3 Fourth Closing Date Deliveries by the Royalty Holder

The Royalty Holder must deliver to the Company on the applicable Fourth Closing Date:

- (a) a certificate of existence, status or good standing for the Royalty Holder dated no earlier than five days prior to the applicable Fourth Closing Date;
- (b) a certificate executed by a senior officer of the Royalty Holder, confirming the matters set forth in Section 7.5(b); and
- (c) the Fourth Closing Payment delivered in the manner provided by Section 2.1.

7.4 Closing Conditions in Favour of the Royalty Holder

The conditions to a Fourth Closing in favour of the Royalty Holder are as follows:

- (a) the Third Closing has occurred;
- (b) delivery of the items in Section 7.2 has occurred;
- (c) as of the applicable Fourth Closing Date:
 - (i) all of the representations and warranties made by the Project Entities in this Agreement as of the Execution Date are true and correct in all material respects (or true and correct in all respects in the case of representations and warranties that are qualified by materiality) on and as of the applicable Fourth Closing Date as if made on such date;
 - (ii) each Project Entity has performed in all material respects all of its respective obligations hereunder required to be performed on or prior to the applicable Fourth Closing Date;
 - (iii) the Project Entities obtaining all other necessary third party consents to the dealings with the Property contemplated as part of the applicable Fourth Closing including any consent or approval that is required under applicable Law, by virtue of a condition or covenant of any mineral rights forming part of the Property or by the terms of any material agreements;

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- (iv) no Material Adverse Effect will have occurred since the Execution Date; and
 - (v) the Company will have delivered to the Royalty Holder a certificate dated as of the applicable Fourth Closing Date of a senior officer, in form and substance satisfactory to the Royalty Holder acting reasonably, confirming the foregoing;
 - (d) the Company must be producing a monthly average of 200 tonnes per day of Raw Product from the Property;
 - (e) **[condition redacted – commercially sensitive information]**;
 - (f) **[condition redacted – commercially sensitive information]**; and
 - (g) no provision of any applicable Law or any action by any Governmental Body having competent jurisdiction will prohibit the applicable Fourth Closing or adversely affect in any material respect the Royalty Holder's rights, obligations or benefits under this Agreement, and no judgment, injunction, order or decree issued by any Governmental Body having competent jurisdiction will prohibit the applicable Fourth Closing or adversely affect in any material respect the Royalty Holder's rights, obligations or benefits under this Agreement.

The conditions in this Section 7.4 are for the benefit of the Royalty Holder and cannot be waived or extended unless agreed in writing by the Royalty Holder.

7.5 Closing Conditions in Favour of the Company

The conditions to a Fourth Closing in favour of the Company are as follows:

- (a) delivery of the items in Section 7.3 has occurred;
- (b) as of the applicable Fourth Closing Date:
 - (i) all of the representations and warranties made by the Royalty Holder in this Agreement as of the Execution Date are true and correct in all material respects (or true and correct in all respects in the case of representations and warranties that are qualified by materiality) on and as of the applicable Fourth Closing Date as if made on such date except as would not have a material adverse effect on the ability of the Royalty Holder to perform its obligations under this Agreement;
 - (ii) the Royalty Holder has performed in all material respects all of its obligations hereunder required to be performed on or prior to the applicable Fourth Closing Date; and
 - (iii) the Royalty Holder will have delivered to the Company a certificate dated as of the applicable Fourth Closing Date of a senior officer, in form and substance satisfactory to the Company acting reasonably, confirming the foregoing; and
- (c) no provision of any applicable Law or any action by any Governmental Body having competent jurisdiction will prohibit the applicable Fourth Closing or adversely affect

in any material respect the Company's rights, obligations or benefits under this Agreement, and no judgment, injunction, order or decree issued by any Governmental Body having competent jurisdiction will prohibit the applicable Fourth Closing or adversely affect in any material respect the Company's rights, obligations or benefits under this Agreement.

The conditions in this Section 7.5 are for the benefit of the Company and cannot be waived or extended unless agreed in writing by the Company.

7.6 Co-operation

Each Party must at its own cost use its reasonable efforts and co-operate with the other Party to procure satisfaction of the conditions in Sections 7.4 and 7.5 as quickly as possible.

7.7 Non-Satisfaction

If any condition in Section 7.4 or 7.5 is not satisfied or waived by December 31, 2024, then the Fourth Closing will not occur and the Fourth Closing Payment will not become payable by the Royalty Holder to the Company. The Parties agree that, if a Fourth Closing does not occur, neither the Royalty, the Royalty Percentage nor the Royalty Holder's right and interest therein will be affected, save and except as otherwise provided herein to the contrary.

8. RECORDS, ACCESS AND REPORTING

8.1 Records and Access

The Company must:

- (a) keep true, accurate and complete Books and Records in accordance with IFRS and as amended, supplemented or replaced from time to time to enable the Royalty to be calculated in accordance with this Agreement;
- (b) subject to Section 3.5(d), once per calendar year, permit the Royalty Holder, after it has given reasonable Notice to the Company, to inspect at the Company's premises at all reasonable times and with access to the Company's relevant Personnel, the Books and Records referred to in Section 8.1(a) and to make and take away with it copies of such Books and Records; and
- (c) subject to Section 3.5(d), once per calendar year, permit the Royalty Holder to enter the Property at its own cost and risk for the purpose of inspecting the area and operations in it, as long as the Royalty Holder does not unreasonably hinder the Company's operations on the Property and complies with the Company's instructions and directions, including in relation to health and safety and site inductions.

8.2 Royalty Statements

At the same time as paying each Royalty payment under Section 3.2 or, if the Royalty Holder has elected to receive the Royalty in kind under Section 3.3 the Company must provide to the Royalty Holder a report setting out in reasonable detail the following information (each, a "**Royalty Statement**"):

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- (a) the quantity, type and grade of Product extracted during that Quarter;
 - (b) the quantity, type and grade of Product that has been processed during that Quarter and the location of the relevant facilities;
 - (c) the quantity, type and grade of all Product that has been Sold during that Quarter;
 - (d) the quantity and type of Product held or unsold during that Quarter;
 - (e) the quantity and type of Product that has been processed and are in a form that is saleable without being Sold for longer than the Inventory Period where the Inventory Period has ended during that Quarter;
 - (f) the Royalty for that Quarter and details of the Gross Proceeds during the Quarter, details on the Average Product Prices determined as provided in this Agreement and proceeds of Sale for other Product and Allowable Deductions underlying the calculation of the Royalty;
 - (g) the cumulative total of Royalty payments paid to the Royalty Holder under this Agreement (including the payment under Section 8.2(f)); and
 - (h) other pertinent information in sufficient detail to explain the calculation of the Royalty payment or credit.

The Company must also provide any such other supporting information relating to the calculation of Net Smelter Returns and the Royalty as the Royalty Holder may reasonably request, including refining invoices, weights, assays and other offtake sales documents, including all documentation prepared by or sent to the Offtaker or an Ore Buyer and, as applicable, any umpire, in connection with every shipment of Product to an Offtaker or an Ore Buyer. The Company will use reasonable efforts to provide such supporting information within ten (10) Business Days of the Royalty Holder's request.

8.3 Annual Reports

The Company must provide to the Royalty Holder an annual report on or before twenty (20) Business Days after the last day of each fiscal year of the Company, which sets out the following in reasonable detail:

- (a) a summary of the work carried out by or on behalf of the Company on or in respect of the Property during that year;
- (b) a review of the development (including permitting) activities for the year and a report on any material issues or departures from the Preliminary Project Document or the applicable Development and Mine Plan as was in effect on the first day of the year;
- (c) an update of the Preliminary Project Document or the Development and Mine Plan, as applicable, expenditure and budget, which includes updated Mineral Resources and Mineral Reserves;
- (d) prices used by the Company or its Affiliates for short term and long term planning purposes with respect to the Property;

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- (e) types, tonnes, recoveries and grade of Products produced, processed, stockpiled and Sold during that year;
 - (f) the names and addresses of each Offtaker and Ore Buyer to which Product was delivered during the year;
 - (g) the amount of Product, produced or processed during such year, but not delivered to an Offtaker and Ore Buyer by the end of such year;
 - (h) the payment/credit to the Royalty Holder and/or estimated payment/credit to the Royalty Holder referred to in Section 8.3(g) on account of the Royalty;
 - (i) a reconciliation between any estimated payment/credit specified in an annual report pursuant to Section 8.3(h) for a preceding year and the final payment/credit;
 - (j) variances from projected operating and capital expenditures and details of any actual or expected adverse impact on development or production or recovery of valuable metals in Product compared to the Preliminary Project Document or the Development and Mine Plan applicable to such year, whether as to quantity or timing, together with the details of the plans to resolve or mitigate such matters;
 - (k) a reconciliation of resource model, mine grade control and process facilities;
 - (l) details of any material health and safety violations and material violations of any applicable Law (including Environmental Laws) with respect to the Property or Project;
 - (m) details of any First Nations Claims, and any material First Nations Group or local community disputes or issues that have occurred on the Property or in respect of the Project;
 - (n) a list of the mineral rights comprising the Property and any changes from the prior year's list; and
 - (o) a completed [**information redacted commercially sensitive information**] .

8.4 Annual Forecast

The Company must provide to the Royalty Holder an annual forecast report on or before thirty (30) days prior to the last day of each fiscal year of the Company, including with reasonable detail a forecast, based on the Preliminary Project Document or the current Development and Mine Plan, as applicable, of the quantity of Produced Gold, Produced Silver and other Product expected to be produced during such fiscal year on a month-by-month basis and over the remaining life of the mine on a year-by-year basis and other matters, including:

- (a) the amount and a description of planned development, operating and capital expenditures;
- (b) the planned drilling exploration activities for the year, including the amount and a description of planned exploration expenditures;
- (c) types, tonnes and grade of Product and other material to be mined;

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- (d) types, tonnes and grade of Product to be stockpiled; and
 - (e) with respect to the processing facilities, the types, tonnes and grade of Product to be processed.

8.5 Monthly Reports

At the request of the Royalty Holder, the Company must provide to the Royalty Holder a monthly report before twenty (20) Business Days after the last day of the calendar month to which the report applies, which includes the following in reasonable detail (i) the work carried out by or on behalf of the Company on or in respect of the Property during that month, (ii) an update of the Preliminary Project Document or the Development and Mine Plan expenditure and budget, as applicable, (iii) an update regarding any environmental, social and governance matters relating to the Project, and (iv) such other information reasonably requested by the Royalty Holder relating to operational, exploration and financial matters.

8.6 Mineral Resources or Mineral Reserves

If the Company establishes a Mineral Resource or Mineral Reserve on the Property, the Company must provide to the Royalty Holder the reports pertaining to such Mineral Resource or Mineral Reserve as soon as practicable, unless such report is made publicly available via SEDAR or another similar reporting mechanism.

8.7 Project Development and Financing Arrangements

The Company must keep the Royalty Holder reasonably apprised on a prompt basis of the progress and components relating to the Company's proposed development and financing arrangements relating to the Project, including any Mill Financing, and provide to the Royalty Holder within thirty (30) days of the preparation thereof, any studies and reports provided to providers of Mill Financing, as applicable.

8.8 Development and Mine Plans

The Company must promptly deliver to the Royalty Holder a copy of the current Preliminary Project Document or Development and Mine Plan, as applicable, for the Project taken as a whole. If, at any time, any such Preliminary Project Document or Development and Mine Plan, as applicable, is subject to an amendment, within 15 days after such amendment or amendments are approved by the board of directors of the Company, the amended Preliminary Project Document or Development and Mine Plan, as applicable, must be provided by the Company to the Royalty Holder.

8.9 Other Reporting Obligations and Notices

The Company must deliver to the Royalty Holder:

- (a) on or before the 15th Business Day after the end of each calendar month, monthly operating and capital reports as provided to the management or board of directors of the Company or the Parent (or, if the Parent is not the ultimate parent company, then the Company's ultimate parent company);
- (b) promptly after the Company has knowledge or becomes aware thereof, any changes to the list of the mineral rights comprising the Property;

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- (c) promptly upon preparation thereof, a copy of any material engineering, technical or economic studies in respect of the Property;
 - (d) promptly upon preparation thereof, reasonably detailed environmental reports, reports on safety and community matters, operational budgets, annual production forecast, and life of mine operating plans (and notice of any material change to the life of mine operating plan promptly following such change);
 - (e) promptly following receipt, a copy of any notice of default, termination or enforcement action under any Material Contract;
 - (f) copies of Material Contracts, studies, reports or other information relating to the Property, the Project or the Product that may be reasonably requested by the Royalty Holder;
 - (g) promptly after the Company has knowledge or becomes aware thereof, written notice of all actions, suits and proceedings before any Governmental Body or arbitrator, pending or threatened, against or directly affecting the Project or the Property, including any actions, suits, claims, notices of violation, hearings, investigations or proceedings with respect to the ownership, use, maintenance and operation of the Project or the Property, including those relating to Environmental Laws;
 - (h) promptly after the Company has knowledge or becomes aware thereof, written notice of any other material condition or event, including without limitation any Company Event of Default, intervening event, force majeure event, labour or civil disruption, actual or threatened legal or title action, actual or threatened withdrawal of any permit or third-party approval, any material human rights, community, health and safety, other social, animal welfare, conservation, other environmental, or corporate governance controversies or initiatives or any change in law materially impacting the Property or Project; and
 - (i) within 90 days of the end of each fiscal year and to the extent prepared by management, its unaudited, unconsolidated financial statements and to the extent prepared and delivered to any lender or other third party, its audited unconsolidated financial statements.

To the extent any of the foregoing information is published publicly on the Company's SEDAR profile or website, such publication shall constitute provision of such information to the Royalty Holder.

9. COVENANTS

9.1 Conduct of Operations

- (a) The Company shall:
 - (i) develop, construct, commission and operate the Project in a commercially prudent manner and in all material respects in accordance with the Preliminary Project Document or the Development and Mine Plan, as applicable;

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- (ii) operate the Project on a commercial basis as though it has the full economic interest in the gold, silver and other metals produced from the Property in the absence of this Agreement and as if it were entitled to receive all of the proceeds from any Sales of metals therefrom. The Company shall ensure that all cut-off grade, short term mine planning, longer term planning and production decisions, and all resource and reserve calculations, concerning the Project shall be based on gold and silver prices consistent with normal industry practice;
 - (iii) perform all exploration, development, and mining operations and activities pertaining to or in respect of the Project and its business in accordance with Good Industry Practice, the Preliminary Project Document or the Development and Mine Plan, as applicable, and in compliance, in all material respects, with applicable Laws (including Environmental Laws), Authorizations, Material Contracts, the E&OHS Guidelines, the HSEC Policy and the Anti-Corruption Policy;
 - (iv) without prejudice to Section 9.1(a)(iii), the Company shall, and shall cause each Group Member to, perform all development and mining operations and other activities pertaining to or in respect of the Project or its business in accordance in all respects with Anti-Corruption Laws, AML Legislation and Sanctions; and
 - (v) use commercially reasonable efforts to ensure that all Product from the Property will be processed in a prompt and timely manner in accordance with Good Industry Practice, taking into consideration conditions in the mining industry at the relevant time.
- (b) Except as otherwise provided herein and subject to Section 9.1(a), all decisions regarding the Project, including any decisions concerning (i) the methods, extent, times, procedures and techniques of any exploration, development and mining related to the Project or any portion thereof, (ii) milling, processing, or extraction, and (iii) decisions to operate or continue to operate the Project or any portion thereof, including with respect to closure and care and maintenance, shall be made by the Company in its sole discretion.
 - (c) The Company shall be entitled to amend the Preliminary Project Document or approve and/or amend the Development and Mine Plan, as applicable, at any time provided that it shall not be permitted to amend the Preliminary Project Document or approve and/or amend the Development and Mine Plan, as applicable, if such approval or amendment: (i) is not in accordance with Good Industry Practice; (ii) would reasonably be expected to have a Material Adverse Effect; (iii) would reasonably be expected to result in a material increase in the technical, operations or design risk of the Project; (v) would materially reduce the design capacity of any processing facilities at the Project; or (vi) would result in a reduction of greater than 10% to the projected production of Produced Gold or Produced Silver (on an annual or life-of-mine basis) in effect on the date hereof.
 - (d) The Company shall, and shall cause the Project Entities to, at all times from and after the date hereof use their commercially reasonable efforts to obtain, as and when required, and preserve and maintain, all Authorizations (including Environmental Authorizations), Other Rights and Contracts which are required to

permit any Project Entity to (i) own, operate and maintain the Project in the manner currently owned and operated, (ii) develop, construct and operate the Project as contemplated by the Preliminary Project Document or the Development and Mine Plan, as applicable, (iii) commence and carry out the operation of commercial production transactions from the Project, and (iv) perform its obligations under the Royalty Documents to which it is a party.

- (e) The Company shall, and shall cause the other Project Entities to, timely and fully perform, pay and observe, or cause to be performed, observed and paid, any and all material liabilities and obligations required by any applicable Laws, Authorizations, Material Contracts, the E&OHS Guidelines or by any Governmental Body, and otherwise in accordance with Good Industry Practice, in each case for the reclamation, restoration or closure of any facility or land used in connection with each of the Company's and the other Project Entities' operations or activities at, on or in respect of the Project or required under this Agreement. If any of the Company or its Affiliates (a) fail to comply in any material respect with Environmental Laws with respect to the Project or (b) undertakes any activity giving rise to material liability under Environmental Laws with respect to the Project (except as permitted or authorized by any Authorization or by applicable Law), the Company must promptly remedy and correct such failure to comply, satisfy such liability and otherwise take all commercially reasonable action to cure (whether through remediation, payment of penalties or otherwise) such non-compliance or liability and satisfy all obligations in connection therewith.

9.2 Stockpiling

The Company may temporarily stockpile any Product from the Property at such place or places as the Company may elect. In the event that the Company stockpiles or holds inventory of any Product:

- (a) it must ensure security for the site where such Product is stockpiled in accordance with Good Industry Practice;
- (b) prior to stockpiling, storing or placing Product off the Property, the Company must enter into a written irrevocable agreement with the property owner where such stockpiling, storage or placement is to occur providing, among other things, that: (i) the Royalty Holder's rights in respect of the Product pursuant to the Royalty and this Agreement will continue in full force and effect notwithstanding the Product's removal from the Property; (ii) the Royalty Holder's rights in respect of the Product will be the same as if the Product had never been removed from the Property; (iii) the Royalty Holder's rights in and to such Product will have precedence over any rights to the Product of such property owner, as well as the creditors of such property owner; (iv) the Royalty Holder will have substantially similar access rights to such property as provided for in respect of the Property under this Agreement; (v) the Royalty Holder's rights in respect of the Product pursuant to the Royalty and this Agreement will otherwise be preserved; and (vi) with respect to any Product forming part of the Collateral, acknowledges the Royalty Holder's Encumbrances thereon and provides the Royalty Holder with a right of access in the event of enforcement by the Royalty Holder of the Security; and
- (c) if any of the stockpiled Product has been processed to the point that it is in a form that is saleable without Sale for more than **[time period redacted – commercially**

sensitive information] (“**Inventory Period**”), such Product will be deemed to have been Sold on the last day of the Inventory Period and the Company must pay the Royalty in respect of such Product in accordance with Section 3.1.

9.3 Commingling

Commingling of Product from the Property with other ores, doré, concentrates, precipitates, or other intermediate products, metals, minerals or mineral by-products produced elsewhere (the “**Other Source Product**”) is permitted, as long as:

- (a) reasonable and customary procedures are established (which are consistent with Good Industry Practice) for the weighing, sampling, assaying and other measuring or testing necessary to fairly allocate valuable metals contained in such Product and in the Other Source Product (“**Commingling Plan**”), such Commingling Plan to ensure the division of Other Source Product and Product for the purposes of determining the quantum of valuable metals in each;
- (b) the Royalty Holder has approved the Commingling Plan and any changes to such plan which may be proposed from time to time, such approval not to be unreasonably withheld, conditioned or delayed;
- (c) the Royalty Holder is not disadvantaged as a result of the processing of Other Source Product in place of, in priority to, or concurrently with, Product (each, a “**Commingling Disadvantage**”), unless compensated in accordance with this Section 9.3 and the Commingling Plan;
- (d) representative samples of the Product must be retained by the Company and assays (including moisture and penalty substances) and other appropriate analyses of these samples must be made before commingling to determine gross metal content of the Product and the Company must retain such analyses for a reasonable amount of time, but not less than 36 months, after receipt by the Royalty Holder of the Royalty paid/credited with respect to such commingled Product from the Property;
- (e) the amount of valuable metals contained in such Product and in the Other Source Product are capable of being accurately verified by audit under Section 3.5; and
- (f) the Company must compensate the Royalty Holder for any Commingling Disadvantage incurred or suffered by the Royalty Holder if and to the extent that the processing of Product mined, produced, extracted or otherwise recovered from the Property through any crusher, mill, ore concentrator, processing plant, smelter, refinery or other processing facility located on or near the Project and at which Product are processed is delayed solely as a result of such Other Source Product being processed through such facilities. Such compensation will be equal to any loss arising from the Commingling Disadvantage so as to place the Royalty Holder in a position no better and no worse than if such Commingling Disadvantage had not occurred.

9.4 Tailings

All Tailings resulting from the Company’s operations and activities on the Property will remain subject to the Royalty should the Tailings be processed or reprocessed, as the

case may be, in the future and result in the production and Sale or other disposition of Product. Notwithstanding the foregoing, the Company will have the right to dispose of Tailings from the Property on or off of the Property and to commingle the same with waste materials from other properties without such Tailings being subject to the Royalty, provided that there is no reasonable expectation of such Tailings being processed resulting in the production of valuable metals. For any Sale of Tailings where there is a reasonable prospect of the processing of the valuable metals contained therein, such Tailings will be subject to the Royalty and the Parties will use commercially reasonable methods in accordance with Good Industry Practices to determine the amount of the valuable metals in such Tailings.

9.5 Activities to be conducted in a Proper Manner

The Company must conduct its activities in relation to the Property in accordance with all Laws and Good Industry Practice.

9.6 Certain Corporate Standards

- (a) The Company shall: (i) insofar as the same relates to the Project, at all times maintain the HSEC Policy and shall periodically review and update the HSEC Policy to ensure that it is consistent with the E&OHS Guidelines and Good Industry Practice as it pertains to health, safety, environmental, community and related operational matters with respect to the Project; (ii) ensure that all operations in respect of the Project comply in all material respects with the E&OHS Guidelines and the HSEC Policy, and (iii) keep, or cause the other Project Entities to keep, all relevant documentation in order for the Royalty Holder to verify such compliance. In the event of any material non-compliance with Environmental Law, the E&OHS Guidelines or the HSEC Policy as pertains to the Project, the Company shall, and shall cause the Project Entities to, upon the request of the Royalty Holder, acting reasonably, provide the Royalty Holder with any information relating to measures, monitoring and other corrective action undertaken or planned to be undertaken by or on behalf of the Company and the Project Entities under Environmental Law, the E&OHS Guidelines or the HSEC Policy with respect to the Project.
- (b) The Company shall, and shall cause all of the Group Members to, at all times maintain and comply with the Anti-Corruption Policy, and shall immediately notify the Royalty Holder upon becoming aware of any breach or suspected breach of such policy. The Company shall not amend, replace or otherwise vary the Anti-Corruption Policy except if reasonably necessary in order to reflect developments in Anti-Corruption Law or the requirements of any stock exchange on which the common shares of any of the Project Entities are listed.

9.7 Preservation of Corporate Existence; Location of Assets

- (a) Except as permitted by Section 9.7(b), the Company shall, and shall cause the Project Entities, at all times from and after the date hereof do and cause to be done all things necessary or advisable to maintain their respective corporate or other existence, including the making of all required filings in connection therewith, and to obtain, and, once obtained, maintain all qualifications necessary to carry on its business and own its assets in each jurisdiction in which they carry on business or in which their assets are located. The Company shall not, and shall not permit any Project Entity to, merge, amalgamate or consolidate with another Group Member,

or change or reorganize its capital structure or amend its articles, by-laws or any other constating documents, if it would adversely impact the Royalty Holder's rights under the Royalty Documents or, after the Security Release Date, this Agreement.

- (b) Except pursuant to a Transfer in accordance with Section 13.2, the Parent or the Company, as applicable, shall cause the Project Entities to be the only legal and beneficial owners of, and shall ensure that no other Person that is not a Project Entity holds or acquires any direct ownership right, title or interest in, the Project Property.
- (c) The Parent and the Company shall not, and shall cause the Project Entities not to, consolidate, amalgamate with, or merge with or into, or Transfer all or substantially all of its assets to, or reorganize, reincorporate or reconstitute into or as, another entity, or continue to any other jurisdiction, unless such action is in compliance with or permitted pursuant to Article 13 and at the time of such consolidation, amalgamation, merger, reorganization, reincorporation, reconstitution, Transfer, or continuance, the resulting, surviving or transferee entity assumes in favour of the Royalty Holder all the obligations of the Company or such Project Entity under the Royalty Documents, as applicable, or, after the Security Release Date, this Agreement.
- (d) Until the Security Release Date, the Company shall promptly notify the Royalty Holder of (i) the acquisition by the Project Entities of any real property (including mineral rights), whether owned or leased and (ii) any new locations of tangible assets of the Project Entities (other than inventory in transit).

9.8 Maintenance of Property; Encumbrances

- (a) The Company shall, and shall cause the other Project Entities:
 - (i) to, maintain the Property in good standing, including in relation to the payment of Taxes owing in respect thereof, the performance of required assessment work thereon, the payment of all claim, permit and license maintenance fees in respect thereof, the payment of all rents and other payments in respect of leased properties forming a part thereof or otherwise payable under any purchase, option or similar agreements relating thereto and otherwise the maintenance of the Property in accordance with applicable Laws;
 - (ii) to, maintain preserve, protect and keep:
 - (A) all of the Project Entities' material ownership, lease, use, licence and other interests, as applicable, in the Collateral as are necessary or advisable in order for it to be able to develop, construct and operate the Project substantially in accordance with the Preliminary Project Document or the Development and Mine Plan, as applicable, and Good Industry Practice; and
 - (B) all material tangible Collateral owned or used by the Project Entities in good repair, working order, and condition (ordinary wear and tear excepted), and make necessary and proper repairs, renewals, and

replacements so that those aspects of the business carried on in connection therewith may be properly conducted at all times, unless the continued maintenance of any of such Collateral ceases to be necessary or economically desirable for the development, construction or continued operation of the Project substantially in accordance with the Preliminary Project Document or the Development and Mine Plan, as applicable, and Good Industry Practice;

- (iii) not do or permit to be done, anything that may prejudice the Property or render the Property, or any interest in the Property, liable for forfeiture;
 - (iv) not be, and not become throughout the term of the Royalty, a non-resident of Canada for purposes of the Tax Act;
 - (v) comply with all of the conditions and requirements contained in or relating to the mineral rights comprising the Property;
 - (vi) without limiting Sections 9.8(a)(i) to 9.8(a)(v) (inclusive), consistent with Good Industry Practice use its best efforts to obtain, renew, maintain, comply with and keep in good standing all Authorizations required or necessary (whether under applicable Law or otherwise) for:
 - (A) ownership of the Property;
 - (B) access to the Property;
 - (C) surface rights and water rights relating to its activities and planned activities at the Property;
 - (D) exploration and development of the Property; and
 - (E) mining and mineral processing operations on the Property; and
 - (vii) except for Abandonment Property notified to the Royalty Holder under Section 9.9(a), do whatever is necessary for procuring the renewal and good standing of each mineral right comprising the Property according to the Law in force in the jurisdiction where the Property is located prior to the date on which each such mineral right lapses or expires including paying, in a timely manner, all fees, submitting all forms and expending any funds or paying any penalties required for the maintenance of the Property in good standing.
- (b) The Company shall, and shall cause the other Project Entities to, at all times warrant and defend the right, title and interest of the Company and the other Project Entities in and to any Project Property, and every part thereof, against the claims of any Person, subject (i) prior to the Security Release Date, only to Permitted Encumbrances, and (ii) on or after the Security Release Date, reasonable Encumbrances.
- (c) If the Company or any of its Affiliates prepares, or causes to be prepared, any title opinion or report in respect of all or any portion of the Property, the Company must

promptly deliver a copy of such opinion or report to the Royalty Holder. Any such opinion delivered will be for informational purposes only.

- (d) The Royalty Holder, at its own expense, may undertake such investigation of the title and status of the Collateral as it shall deem necessary. If that investigation should reveal material defects in the title (which shall not include Permitted Encumbrances), the Company shall forthwith cure, or cause the Project Entities to cure, such title defects to the satisfaction of the Royalty Holder, acting reasonably. If the Company fails to so cure or cause to be cured such material defects within 30 days of such notice from the Royalty Holder (or such longer period thereafter during which the Company is continuing to diligently pursue, or cause to be pursued, the curing of such material defects): (i) the Royalty Holder may proceed to cure such title defects; (ii) any costs and expenses incurred (including reasonable legal fees and costs) by the Royalty Holder in connection with curing such title defects shall be promptly reimbursed by the Company; and (iii) the Royalty Holder will have the right to record a lien against the Property as security for payment of such amounts until the Company reimburses the Royalty Holder in full, provided such lien will be subordinated to any Permitted Encumbrances which rank senior by operation of law or otherwise.
- (e) The Company shall diligently undertake its activities in accordance with Good Industry Practice in all material respects and in accordance with the Company's budgets, timelines, plans and specifications set forth in the Preliminary Project Document or the Development and Mine Plan, as applicable.

9.9 Abandonment

- (a) If the Company intends to relinquish, surrender, abandon or allow to lapse any part or all of the Property (each, an "**Abandonment Property**"), then the Company must give Notice of such intention to the Royalty Holder at least ten (10) days in advance of the proposed date of relinquishment, surrender, abandonment or lapse (an "**Abandonment Date**"), together with details of the Abandonment Date and details of any Encumbrance on the Abandonment Property created by, through or under the Company.
- (b) Subject to the prior rights of Osisko with respect to such Abandonment Property, the Royalty Holder will have a period of ten (10) days from receipt of the Notice given pursuant to Section 9.9(a) to elect by Notice to the Company to take a Transfer of the Abandonment Property to the extent the same is permitted pursuant to applicable Law, which Transfer will be on an "as is" basis for a total consideration equal to \$10. For avoidance of doubt, the Royalty Holder shall only have the right to elect to take Transfer of the Abandonment Property to the extent that Osisko has waived its right with respect to such Abandonment Property or Osisko otherwise does not have a right to take transfer of title of any parts or part of the Abandonment Property under the Osisko Royalty Agreement. Subject to the preceding sentences, if the Royalty Holder elects to take a Transfer of the Abandonment Property, then, subject to applicable Law, the Company must thereafter use its commercially reasonable efforts to Transfer the Abandonment Property to the Royalty Holder (or a nominee Affiliate of the Royalty Holder) and to have the Abandonment Property recorded or registered in the name of the Royalty Holder or a nominee Affiliate of the Royalty Holder. The Company shall use its commercially reasonable efforts to, subject to applicable Law, obtain all

approvals and consents required by any third person or Governmental Body to effect such Transfer and assign all existing surface rights, water use rights, mining and environmental permits related to the Abandonment Property. All costs and expenses charged by any third person or Governmental Body to, and paid by, the Company in connection with the Transfer of the Abandonment Property under this Section 9.9(b) will, upon submission to the Royalty Holder of invoices and other documents which record or are evidence of payment by the Company of such costs and expenses, be immediately reimbursed (without mark up or margin) by the Royalty Holder to the Company (and in any event within five Business Days).

- (c) If the Royalty Holder does not give Notice to the Company within the period of ten (10) days referred to in Section 9.9(b), electing to take a Transfer of the Abandonment Property, then, the Company may relinquish, surrender, abandon or allow to lapse the Abandonment Property on the Abandonment Date and will thereafter have no further obligation to maintain the title to the Abandonment Property.
- (d) Subject only to the rights of Osisko as set out in the Osisko Royalty Agreement, the Company must not relinquish, surrender, abandon or allow to lapse or expire, the Property or any part of the Property for the purpose of (i) permitting any third person to acquire such Property, or (ii) otherwise avoiding payment of the Royalty, and if the Company or an Affiliate of the Company or any of their respective Personnel who were part of the decision to relinquish, surrender or abandon, the Property or to allow the Property to lapse or expire, or any agents or joint actors of the Company acquires any Abandonment Property, then the calculation of the Royalty will include all Product derived from or relating to such Abandonment Property.
- (e) For greater certainty, if, for any reason, the Property or any part of the Property which is proposed to be relinquished, surrendered, abandoned or allowed to lapse by the Company, is not relinquished, surrendered, abandoned, allowed to lapse or assigned to the Royalty Holder in accordance with this Section 9.9, then:
 - (i) the Royalty will continue to be payable on such Property; and
 - (ii) the Company will not proceed with any relinquishment, surrender, abandonment or lapse of such Property without again complying with the provisions of this Section 9.9 and so on from time to time.

9.10 Grant of Encumbrances

Prior to the Security Release Date, the Company covenants in favour of the Royalty Holder that it will not grant any Encumbrance over the Collateral other than Permitted Encumbrances. For avoidance of doubt, the Royalty Holder shall agree to enter into an intercreditor or subordination agreement, in form and substance satisfactory to the Royalty Holder, acting reasonably, in respect of any Mill Financing to evidence the subordination by the Royalty Holder.

9.11 Insurance

- (a) The Company shall, or shall cause the Project Entities to, maintain with financially sound and reputable insurance companies, insurance on the Project Property and

the operations of the Project Entities in such amounts and against such losses or damages, including property damage and public liability (or equivalent), as is customary in the case of comparable operations in Canada in accordance with Good Industry Practice and cause the policies of insurance referred to above to contain customary endorsements for the benefit of the Royalty Holder, all in a form acceptable to the Royalty Holder, acting reasonably. The Royalty Holder shall be named as an additional insured and loss payee with respect to all such insurance policies relating to the Collateral or public liability. The Project Entities shall not amend such policies to decrease coverage or cancel such policies without 30 days' prior written notice being given to the Royalty Holder. The Company shall, upon the request of the Royalty Holder from time to time, provide or cause to be provided to the Royalty Holder promptly such evidence of such insurance relating to the Collateral or public liability as the Royalty Holder may reasonably require.

- (b) The Company shall, and shall cause the Project Entities, not to at any time do or omit to do anything, and not cause anything to be done or omitted to be done, whereby any insurance required to be maintained hereunder would or would be likely to be rendered void or voidable or suspended, impaired or defeated in whole or in part.
- (c) The Company must promptly provide the Royalty Holder with written notice of any material loss or damage suffered to the Property or any Product and whether the Company or any of its Affiliates plan to make any insurance claim with respect to such material loss or damage.
- (d) Subject to Section 9.11(e), to the extent any Group Member receives Compensation, then the amount of such Compensation received by the Group Members shall either:
 - (i) be used by the Project Entities to repair and/or replace the property that is the subject of such Compensation; or
 - (ii) (A) to the extent that the Compensation is not in respect of damaged or lost property, or (B) to the extent that the Compensation is not used to repair and/or replace property that is the subject of such Compensation within **[requirement redacted – commercially sensitive information]**; then in each of such events, the Company shall pay to the Royalty Holder an amount equal to the Royalty Percentage multiplied by the Compensation.
- (e) Where any Group Member has received payment under an insurance policy in respect of a shipment of Product to an Offtaker that is lost or damaged after leaving the Property and before the risk of Loss or damage is transferred to the Offtaker, the Company shall pay to the Royalty Holder an amount equal to the Compensation received by the Group Member in respect thereof (as determined by reference to the applicable insurance settlement documents), multiplied by the Royalty Percentage.

9.12 Expropriation

- (a) Notwithstanding any other provision of this Agreement, upon the occurrence of an Expropriation Event:

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- (i) all obligations of the Parties under this Agreement with respect to the portion of the Project to which the Expropriation Event pertains (such affected portion being the “**Affected Property**”) shall be suspended, including the Company’s obligations to pay the Royalty in respect of any metals produced therefrom; provided, however, that all obligations of the Parties under this Agreement with respect to any portion of the Project other than the Affected Property shall not be suspended;
 - (ii) in the event that the Expropriation Event subsequently ceases to exist, all obligations of the Parties under this Agreement suspended pursuant to this Section 9.12 shall automatically recommence; provided that Company’s obligation to pay the Royalty in respect of any metals produced from the Affected Property shall recommence only with effect from the time such Expropriation Event ceases to exist;
 - (iii) without limiting the generality of this Section 9.12(a):
 - (A) any loss of ownership or control over any Affected Property as a result of an Expropriation Event shall not be a Transfer for any purpose under this Agreement; and
 - (B) any portion of the Project that becomes an Affected Property as a result of an Expropriation Event shall (until the Expropriation Event ceases) not be part of the Project for any purpose under this Agreement.
 - (b) In the event that any Group Member receives directly or indirectly any Compensation as a consequence of or in respect of any Expropriation Event, the Company shall pay or cause to be paid to the Royalty Holder an amount equal to such Compensation multiplied by the Royalty Percentage.

9.13 Reacquisition of Property

If the Company or any Affiliate or any successor or assign of the Company surrenders, allows to lapse or otherwise terminates its interest in the Property or any part of the Property and reacquires a mineral right or a direct or indirect interest in mineral rights in respect of the land covered by the former Property, then the Royalty will apply to such mineral right or interest so acquired and such right or interest will thereafter become part of the Property. The Company must give written notice to the Royalty Holder within five (5) Business Days of any acquisition of such mineral right or interest, as applicable and on demand of the Royalty Holder and to the extent permitted by applicable Law, must register at the relevant public registry, this Agreement, or a notice of this Agreement, against the mineral right or interest referred to above, as applicable.

9.14 Change of Offtaker or Ore Buyer

The Company must give written notice to the Royalty Holder within five (5) Business Days of any change of an Offtaker or Ore Buyer to be used by the Company.

9.15 Restricted Payments

Prior to the Security Release Date, the Company shall not, and shall not permit any other Project Entity to, make any Restricted Payment. After the Security Release Date, the Company and any other Project Entity may make a Restricted Payment; provided that:

- (a) no Trigger Event has occurred and is continuing or would occur as a result of such Restricted Payment;
- (b) all operating expenses of the Project Entities then due and owing have been paid in full;
- (c) all amounts then due and owing in respect of any debt of the Company or any other Project Entity (other than debt owing to the Company), and payment of which would not be a Restricted Payment, (for the purpose of this Section 9.15, “**third-party debt**”), have been paid in full; and
- (d) after giving effect to such Restricted Payment, the Project Entities can reasonably be expected to be able to pay all operating expenses and all amounts in respect of any third-party debt expected to come due and owing in the next 120 days.

The Company shall notify the Royalty Holder in writing at least 10 days prior to any intended Restricted Payment to be made in accordance with this Section 9.15 with full particulars of such intended Restricted Payment.

10. INDEMNITY

10.1 Indemnity

The Company must indemnify and keep indemnified the Royalty Holder, its Affiliates, and their respective directors, officers, employees and agents and their successors and assigns (each an “**Indemnified Party**”) for, from and against any Claim, that may be made or brought against an Indemnified Party or which an Indemnified Party may sustain, pay or incur that arise out of or in connection with:

- (a) any breach or inaccuracy of any representation or warranty of a Project Entity contained in any Royalty Document, including the representations and warranties set forth in Schedule E hereto, as the case may be, or in any document, instrument or agreement delivered pursuant hereto or thereto;
- (b) any breach, including breach due to non-performance, by a Project Entity of any covenant or agreement to be performed by such Project Entity contained in any Royalty Document or in any document, instrument or agreement delivered pursuant hereto or thereto;
- (c) development or operations conducted on or in respect of the Property including the mining, handling, transportation, smelting or refining of Product, local community relations, security and risk management or permitting;
- (d) any breach or non-compliance by a Project Entity with applicable Law including Environmental Law;

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- (e) the physical environmental condition of the Project and matters of health and safety related thereto or any action or claim brought with respect thereto (including conditions arising before the Execution Date) save and except as the same may be occasioned by or result from access to the Property by an Indemnified Party and its own gross or wilful fraud or negligence; or
 - (f) any Hazardous Substances on, in or under the Property or the soil, sediment, water or groundwater forming part of the Property, whether in the past, present or future, or any Hazardous Substances on any other lands or areas having originated or migrated from the Property or the soil, sediment, water or groundwater forming part of the Property.

10.2 Enforcement of Indemnity

It is not necessary for an Indemnified Party to incur expense or make payment before enforcing a right of indemnity conferred by this Agreement.

10.3 Survival of Indemnity

The indemnity in Section 10.1 is a continuing obligation, separate and independent from other obligations and will not be discharged by any one payment or act and will survive expiration or earlier termination of this Agreement.

11. SECURITY

11.1 Guarantees and Security Documents

Until the Security Release Date, to guarantee and secure the due and punctual payment and performance of all of the Obligations:

- (a) the Parent and the Company shall on First Closing, grant a continuing security interest and a first ranking Encumbrance in favour of the Royalty Holder over all of the Collateral; and
- (b) the Company shall cause the Parent to, on First Closing, grant a guarantee in favour of the Royalty Holder in respect of all the Obligations,

subject only to Permitted Encumbrances and provided that, for so long as the Osisko Security remains in place, the Security shall be subordinate thereto and shall be further subordinate to any Mill Financing, and in furtherance thereof shall deliver or cause to be delivered to the Royalty Holder in form and substance satisfactory to the Royalty Holder (which, for avoidance of doubt, shall be in effect until the Security Release Date):

- (c) a Guarantee of the Obligations from the Parent;
- (d) a General Security Agreement from each Project Entity other than the Parent;
- (e) a debenture from each Project Entity holding a direct interest in the Property; and
- (f) a Share Pledge Agreement from the Parent with respect to the equity interests and intercompany debt it holds in the Company.

11.2 Granting and Registration of the Security

From the Execution Date, the Parties shall use commercially reasonable efforts to:

- (a) grant, register and/or perfect the Security, as applicable; and
- (b) enter into an Intercreditor Agreement, if required by Osisko,

prior to the First Closing, provided that if the Security has not been granted, registered and/or perfected, as applicable, and/or the Intercreditor Agreement, if required, has not been entered into prior to or at First Closing, this shall not delay First Closing and the Parties shall continue to diligently pursue and use their commercially reasonable efforts to procure the grant, registration and/or perfection of the Security, as applicable, and the entering into of the Intercreditor Agreement as soon after the First Closing as possible.

11.3 Additional Security from New Project Entities

Until the Security Release Date, the Company shall cause each Person that becomes a Project Entity after the date hereof (by way of acquisition or otherwise) to deliver to the Royalty Holder (a) a Guarantee of the Obligations, (b) security over the undertaking, property and assets of such Project Entity substantially to the same effect as the Security provided for in Section 11.1, (c) a third party legal opinion from the Company's counsel concerning such Project Entity, Guarantee and Security, to all be delivered to the Royalty Holder, contemporaneously with such Person first becoming a Project Entity, together with all share or membership certificates (to the extent shares can reasonably be certificated), share transfer forms, stock powers of attorney, consents, authorizations, registrations (or evidence of the filing of the same with the applicable authority for the purposes of registration) and supporting documentation in respect thereof as necessary in order to make valid and effective the aforementioned agreements and perfect the Encumbrances provided for therein.

11.4 Further Assurances – Security

Until the Security Release Date:

- (a) the Company shall, and shall cause any Project Entity to, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the Royalty Holder such agreements, documents and instruments as the Royalty Holder shall reasonably request, and register, file or record the same (or a notice or financing statement in respect thereof) in all offices where such registration, filing or recording is, in the reasonable opinion of the Royalty Holder or their respective counsels, necessary or advisable to constitute, perfect and maintain the Security Documents referred to in Section 11.1 or 11.2 as first ranking Encumbrances of the Person granting such Encumbrances (subject to Permitted Encumbrances and provided that, for so long as the Osisko Security remains in place, the Security shall be subordinate thereto and shall be further subordinated to any Mill Financing) in all jurisdictions reasonably required by the Royalty Holder, in each case within a reasonable time after the request therefor by the Royalty Holder or their respective counsels, and in each case, in form and substance satisfactory to the Royalty Holder, acting reasonably;

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- (b) the Company shall not, and shall cause the each Project Entity not to, change its legal or operating name or the location of its chief executive office and registered office, except with at least 10 days' prior written notice to the Royalty Holder; and
 - (c) permit to exist and not contest in any manner a first ranking perfected security interest (subject to Permitted Encumbrances and provided that, for so long as the Osisko Security remains in place, the Security shall be subordinate thereto and shall be further subordinated to any Mill Financing) in favour of the Royalty Holder in the Collateral as contemplated hereunder and under the Security Documents.

11.5 Security Effective Notwithstanding Date Monies Become Owing

Subject to Section 11.7 and until the Security Release Date, the Security shall be effective and the undertakings in the Royalty Documents with respect thereto shall be continuing, whether the monies hereby or thereby secured or any part thereof shall become due and owing before or after or at the same time as the creation of any such Security or before or after or upon any Closing Date. The Security shall not be affected by any payments under the Royalty Documents (except to the extent provided for in this Agreement), but shall constitute continuing security to and in favour of the Royalty Holder for the Obligations from time to time.

11.6 No Merger

The Security shall not merge in any other security. No judgment obtained by or on behalf of the Royalty Holder shall in any way affect any of the provisions of the Royalty Documents or the Security. For greater certainty, no judgment obtained by or on behalf of the Royalty Holder shall in any way affect the obligation of the Company to pay amounts at the rates, times and in the manner provided in this Agreement.

11.7 Release of Security

- (a) Until the Security Release Date:
 - (i) subject to Section 11.7(a)(ii), with any Permitted Asset Disposition, any Security on such undertakings, properties or assets shall automatically be discharged immediately prior to the disposition, and the Royalty Holder will promptly, at the request, cost and expense of the Company, provide any releases and discharges in respect of the same; and
 - (ii) if any Collateral is disposed of as permitted by the Royalty Documents or is otherwise released from the Security at the direction or with the consent of the Royalty Holder, at the request, cost and expense of the Company (on satisfaction, or on being assured of concurrent satisfaction, of any condition to or obligation imposed with respect to such disposition), the Royalty Holder shall discharge such Collateral from the Security and deliver and re-assign to the relevant Project Entity (without any representation or warranty) any of such Collateral as is then in the possession of the Royalty Holder.
- (b) Upon the Security Release Date and provided that no Trigger Event has occurred and is continuing, the Royalty Holder shall release and discharge the Collateral from the Security and deliver and re-assign to the relevant Project Entity (without

any representation or warranty) any of such Collateral as is then in the possession of the Royalty Holder

12. REPRESENTATIONS AND WARRANTIES

12.1 Representations and Warranties of the Royalty Holder

The Royalty Holder, acknowledging that the Company is entering into this Agreement in reliance thereon, hereby makes the representations and warranties to the Company as set out in Schedule D as at the Execution Date.

12.2 Representations and Warranties of the Project Entities

Each of the Project Entities, acknowledging that the Royalty Holder is entering into this Agreement in reliance thereon, hereby jointly and severally makes the representations and warranties to the Royalty Holder, on a joint and several basis, as set out in Schedule E as at the Execution Date.

12.3 Survival

The representations and warranties given and made by the Parties as set out in Schedule D and Schedule E will continue and will be of full force and effect for a period of two (2) years after the Execution Date, except for the Company's Fundamental Representations which will survive indefinitely for the maximum period allowed by applicable Law.

13. TRANSFER AND ASSIGNMENT

13.1 Transfer by the Royalty Holder

The Royalty Holder may charge, pledge or Transfer all or any part of its interest in this Agreement without the prior written consent of any of the Project Entities so long as:

- (a) the transferee or other counterparty to such transaction first execute and deliver to the Company and Parent an instrument in writing pursuant to which such transferee or other counterparty covenants to be bound by the terms and conditions of this Agreement in the same manner and to the same extent as though the transferee was an original party hereto in the first instance;
- (b) (i) prior to the Security Release Date, the Royalty Holder gives a minimum of 10 Business Days prior written notice of the intended completion of any such Transfer, and (ii) on or after the Security Release Date, the Royalty Holder gives notice of any such Transfer as soon as reasonably practicable after completion of such Transfer;
- (c) in the case of Transfer to multiple parties, the transferees agree to appoint an administration agent; and
- (d) the transferee acquiring all or any interest in the Agreement (whether directly or indirectly) is not a Sanctioned Person.

13.2 Transfer by a Project Entity

A Project Entity may Transfer all or any interest in the Project Property, or the Parent may Transfer all or any part of its equity interest in the Company, as long as:

- (a) the Royalty Holder is satisfied that (i) the Person acquiring all or any interest in the Project Property is an Eligible Transferee, or (ii) if such Person acquiring such interest is a Subsidiary of an ultimate parent owner, then such ultimate parent owner and each of its Affiliates that have a direct or indirect ownership interest in all or any interest in the Project Property is an Eligible Transferee;
- (b) the transferee, the Royalty Holder and the Project Entity, and if the Parent retains any of its equity interest in the Company, the Parent, have entered into a deed or other instrument (on terms satisfactory to the Royalty Holder, acting reasonably) under which the transferee covenants to be bound by the terms and conditions of this Agreement (to the extent of the interest transferred) in the same manner and to the same extent as though the transferee was an original party hereto in the first instance;
- (c) until the Security Release Date, the transferee covenants to be bound by the terms of the Security in a form acceptable to the Royalty Holder; and
- (d) the transferee acquiring all or any interest in the Property (whether directly or indirectly) is not a Sanctioned Entity or Sanctioned Person.

If the Parent or a Project Entity have not complied with this Section 13.2 in relation to a Transfer of all or any of its equity interest in the Company or all or any interest in the Property, as the case may be, then such Parent and/or Project Entity will remain liable to the Royalty Holder with respect to the Royalty notwithstanding that the Transfer occurred and any such Transfer will be void and ineffective as between the Royalty Holder and such Project Entity, provided that the foregoing will not diminish or preclude any Claim that the Royalty Holder may have against the Parent, such Project Entity or any transferee.

13.3 Transfer and Change of Control

For the purposes of this Article 13, the use of the term “Transfer” includes indirect transfers through a Change of Control; provided that, for the purposes of this Article 13, a Change of Control of any Project Entity shall not include a change in the registered or beneficial ownership of voting securities of a Project Entity, or acquisition of control of such Project Entity, if the common shares of such Project Entity were listed on a public securities exchange immediately prior to the completion of such transaction.

13.4 Corporate Reorganization of Parent

Prior to the Security Release Date and so long as the shares of the Parent are listed on a public securities exchange, the Parent is permitted to effect an amalgamation, merger or other form of corporate reorganization which is a bona fide business transaction that has the effect in law of the amalgamated or surviving corporation possessing, directly or indirectly, substantially all the property, rights and interests and being subject to all the debts, liabilities and obligations of the Parent; after the Security Release Date, there is no such restriction on the Parent and the Parent is permitted to effect any amalgamation, merger or other form of corporate reorganization.

14. COMPANY EVENTS OF DEFAULT

14.1 Events of Default

Each of the following events or circumstances constitutes an event of default by the Company (each, a “**Company Event of Default**”):

- (a) the Company fails to make any Royalty payment, Repurchase Payment, Purchase Price Repayment or other payment due hereunder, the Royalty Holder on the terms and conditions set forth in this Agreement within three (3) days of the date upon which such Royalty payment is required to be made hereunder or a Project Entity fails to pay any amount due under this Agreement or a Guarantee, as applicable;
- (b) the Company is in breach of its obligations under Section 2.4;
- (c) a Project Entity is in breach or default of any of Section 9.7 or Article 11 of this Agreement, which breach or default is not remedied within 10 days (provided such breach or default can be cured) following the earlier of (i) delivery of written notice from the Royalty Holder to such Project Entity, as applicable, of such breach or default, and (ii) the date such Project Entity became aware of or if, earlier, should reasonably have become aware of such breach or default;
- (d) all or any portion of the Project or, prior to the Security Release Date, the Collateral is sold, transferred, Encumbered (subject only to Permitted Encumbrances) or assigned without the consent of the Royalty Holder (other than pursuant to a Permitted Asset Disposition or other dispositions permitted hereunder, as applicable);
- (e) a Project Entity is in breach or default of its obligations under Article 13 or, prior to the Security Release Date, a Project Entity takes or seeks to take any action to abandon all or any material portion of the Collateral (other than as permitted under Section 9.9);
- (f) a Project Entity is:
 - (i) other than as provided in Sections 14.1(a), 14.1(b), 14.1(c), 14.1(d) and 14.1(e), in breach or default of any of its covenants or obligations set forth in this Agreement or any other Royalty Document; or
 - (ii) in default on any debt greater than \$[**amount redacted – commercially sensitive information**]; which breach or default is not remedied within 30 days (provided such breach or default can be cured) following the earlier of (i) delivery of written notice from the Royalty Holder to such Project Entity, as applicable, of such breach or default, and (ii) the date such Project Entity became aware of or if, earlier, should reasonably have become aware of such breach or default;
- (g) any representation or warranty given by a Project Entity in any Royalty Document is inaccurate in any material respect (or in any respect in the case of representations and warranties that are qualified by materiality or Material Adverse Effect) when made or deemed to be made;

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- (h) the occurrence of an Insolvency Event in respect of any Project Entity;
 - (i) the occurrence of an Enforcement Event in respect of any Project Entity;
 - (j) any of the Security or any Royalty Document is repudiated or contested by such Project Entity in whole or in part, or ceases to be in full force and effect, or is invalidated or rendered unenforceable by any act, regulation or governmental action or is determined to be invalid by a court or other judicial entity or, in the case of the Security, to not constitute a first ranking Encumbrance in the Collateral, subject only to Permitted Encumbrances and provided that, for so long as the Osisko Security remains in place, the Security shall be subordinate thereto and shall be further subordinate to any Mill Financing, provided that such repudiation, contestation, cessation, invalidation or determination is not fully rectified within five Business Days;
 - (k) a Project Entity ceases or threatens to cease to carry on its business or admits its inability, or fails, to pay its debts generally as they become due;
 - (l) one or more judgments, orders, decrees, writ of execution, garnishment or attachment or similar process is entered against a Project Entity or the Project for an amount in excess of **[\$[amount redacted – commercially sensitive information]** (or its equivalent in other currencies) or any attachment, sequestration, implementation of any business rescue plan, distress, execution or other legal process affects any material asset of such Project Entity or the Project, and such judgment, order, decree, writ of execution, garnishment or attachment or legal process has not been paid, discharged or stayed within 30 days and the applicable Project Entity has not demonstrated to the satisfaction of the Royalty Holder that it is diligently contesting that judgment or order by appropriate proceedings and has made adequate provision for the payment thereof;
 - (m) any Governmental Body issues an order to suspend or cancel a Material Authorization or the Company loses the right to, or benefit of, a Material Authorization or a Material Authorization is materially and adversely amended and such order not been discharged or reversed within 120 days and the applicable Project Entity has not demonstrated to the satisfaction of the Royalty Holder that it is diligently contesting that order by appropriate proceedings;
 - (n) (i) a material default by a Project Entity occurs and is continuing under any Material Contract after giving effect to any cure period thereunder, or (ii) any Material Contract is terminated by the counterparty other than at scheduled maturity or in accordance with a termination for convenience clause or with the prior written consent of the Royalty Holder, acting reasonably;
 - (o) it is or becomes unlawful, or any action taken by a Governmental Body makes it impractical or impossible, for any Project Entity to perform any of its obligations in any material respect under this Agreement or any Royalty Document;
 - (p) (i) any Group Member, or any director or officer of any Group Member, has been found by a Governmental Body to be in violation of AML Legislation, any Anti-Corruption Laws or Sanctions, or (ii) any employee or agent of any Group Member has been found by a Governmental Body to be in violation of AML Legislation, any Anti-Corruption Laws or any Sanctions; provided that an Event of Default shall be

deemed not to have occurred if such violations referred to above are in respect of undertakings or businesses not related to the undertakings and businesses of the Group Members and such officer or director is promptly removed or resigns in his or her capacity as director or officer of any Group Member;

- (q) prior to the Return Date, any Project Entity takes or seeks to take any action to either: (i) abandon mining construction, development or mining operations at the Project; or (ii) cease mining operations at the Project for 18 months or longer other than in accordance with the Preliminary Project Document or the Development and Mine Plan, as applicable; or
- (r) prior to the Return Date, the occurrence of a Material Adverse Effect.

14.2 Remedies

- (a) If a Trigger Event occurs and is continuing, the Royalty Holder shall have the right, upon written notice from the Royalty Holder to the Company, at its option and in addition to and not in substitution for any other remedies available to the Royalty Holder hereunder or at law or equity, to take any or all of the following actions:
 - (i) demand all amounts and payments owing by the Company and any other Project Entity to the Royalty Holder;
 - (ii) terminate this Agreement by written notice to the Company and, without limiting Section 14.2(a)(i), demand the Early Termination Amount as compensation for all losses suffered or incurred as a result of the occurrence of such Trigger Event and termination;
 - (iii) bring an action or institute arbitration proceedings for damages or specific performance from the Project Entities including in the case of a Company Event of Default in respect of Article 13, seek to have such Transfer declared null and void by reason of the breach of the applicable provision hereunder; and
 - (iv) enforce the Security as it relates to any Obligations then outstanding.
- (b) The Parties hereby acknowledge and agree that (i) the Royalty Holder will be damaged by a Trigger Event; (ii) it would be impracticable or extremely difficult to fix the actual damages resulting from a Trigger Event; (iii) any sums payable in accordance with Section 14.2(a)(ii) with respect to a Trigger Event are in the nature of liquidated damages, not a penalty, and are fair and reasonable; and (iv) the amount payable in accordance with Section 14.2(a)(ii) with respect to a Trigger Event represents a reasonable estimate of fair compensation for the losses that may reasonably be anticipated from such Trigger Event in full and final satisfaction of all amounts owed in respect of such Trigger Event.
- (c) For greater certainty, if the Royalty Holder does not exercise its termination right under Section 14.2(a)(ii), the obligations of the Company or any successors following a realization hereunder shall continue in full force and effect.

15. ROYALTY HOLDER EVENTS OF DEFAULT

15.1 Events of Default

Each of the following events or circumstances constitutes an event of default by the Royalty Holder (each, a “**Royalty Holder Event of Default**”):

- (a) provided that all conditions contained in Sections 5.4 and 5.5 have been satisfied or waived and the Company is ready willing and able to complete the Second Closing, the Royalty Holder fails to pay the Second Closing Payment pursuant to the terms and conditions of this Agreement, within five Business Days following the delivery of written notice from the Company to the Royalty Holder of such default;
- (b) other than as provided in Section 15.1(a), the Royalty Holder is in breach or default of any of its covenants or obligations, set forth in this Agreement or any other Royalty Document in any material respect, which breach or default is not remedied within 30 days following the delivery of written notice from the Company to the Royalty Holder of such breach or default (except in respect of breaches or defaults of any covenants or obligations set out in Section 13.1, which for greater certainty shall have no such cure period);
- (c) any representation or warranty given by the Royalty Holder in any Royalty Document is inaccurate in any material respect (or in any respect in the case of representations and warranties that are qualified by materiality) when made or deemed to be made, which inaccuracy is not remedied within 20 Business Days following the delivery of written notice from the Company to the Royalty Holder of such inaccuracy, or such longer period of time as the Company may determine in its sole discretion; or
- (d) (i) the Royalty Holder, or any director or officer of the Royalty Holder, has been found by a Governmental Body to be in violation of AML Legislation, any Anti-Corruption Laws or Sanctions, or (ii) any employee or agent of the Royalty Holder has been found by a Governmental Body to be in violation of AML Legislation, any Anti-Corruption Laws or any Sanctions; provided that an Event of Default shall be deemed not to have occurred if such violations referred to above are in respect of undertakings or businesses not related to the undertakings and business of the Royalty Holder and such officer or director is promptly removed or resigns in his or her capacity as director or officer of the Royalty Holder.

15.2 Remedies

The Company shall have no right to terminate this Agreement. However, if a Royalty Holder Event of Default has occurred and is continuing, the Company shall have the right, upon written notice from the Company to the Royalty Holder, at its option and in addition to and not in substitution for any other remedies available to the Company hereunder or at law or equity, to take any or all of the following actions:

- (a) demand all amounts owing by the Royalty Holder to the Company; and
- (b) bring an action or institute arbitration proceedings for damages or specific performance from the Royalty Holder, including in the case of a Royalty Holder

Event of Default in respect of Sections 13.1, seek to have such transfer declared null and void by reason of the breach of the applicable provision hereunder.

16. CONFIDENTIALITY

16.1 Confidentiality

- (a) Subject to Section 16.1(b), each Party covenants with the other that it will keep confidential the terms of this Agreement and all information (whether in tangible, electronic or other form) provided or disclosed to a Party by reason of the operation of this Agreement, including any information regarding a Party's Affiliates ("**Confidential Information**").
- (b) Each Party undertakes that neither it, its Affiliates or their respective Personnel will, without the prior written consent of the other Party, disclose any Confidential Information to any third Person unless:
 - (i) the disclosure is expressly permitted by this Agreement;
 - (ii) the information is already in the public domain (unless it entered the public domain because of a breach of this Section 16.1 by the Party);
 - (iii) the disclosure is made on a confidential basis to the Party's Affiliate, auditor, consultant, contractor or subcontractor, officers, employees, agents, financiers or professional advisers, and is necessary for the Party's business and such Persons agree to keep the disclosure confidential in accordance with this Section 16.1;
 - (iv) subject to Sections 16.2 and 16.3, the disclosure is necessary to comply with any applicable Law or the rules of any stock exchange (including public filings on SEDAR at www.SEDAR.com) or an order of a court or tribunal;
 - (v) subject to Section 16.1(c), the disclosure is necessary for a Party or its Affiliates to comply with a directive or request of any Governmental Body, securities regulator or stock exchange (whether or not having the force of law) so long as a responsible person in a similar position would comply;
 - (vi) subject to Section 16.1(c), the disclosure is necessary or desirable to obtain an authorization from any Governmental Body, securities regulator or stock exchange;
 - (vii) the disclosure is necessary in relation to any discovery of documents, or any proceedings before an arbitrator, court, tribunal, other Governmental Body, securities regulator or stock exchange;
 - (viii) to a banker or other financial institution or lending party or consortium considering the provision of or, which has provided financial accommodation to, a Party or its Affiliate or to a trustee, representative or agent or such a banker or financial institution; or
 - (ix) the disclosure is made on a confidential basis to a prospective transferee or financier of the Party, or to any other person who proposes to enter into

contractual relations with the Party and agrees to keep the disclosure confidential in accordance with this Section 16.1.

- (c) Before disclosing any Confidential Information to a Governmental Body or securities regulator in accordance with sections 16.1(b)(v) or 16.1(b)(vi), the disclosing Party must, to the extent permitted by applicable Law, provide the other Party with a draft of the proposed disclosure for its consideration and comment.

16.2 Announcements

The Parties shall jointly plan and co-ordinate, and shall cause their respective Affiliates to jointly plan and coordinate, any public notices, press releases, and any other publicity concerning the entering into of this Agreement and none of the Parties or its Affiliates shall act in this regard without reasonable prior consultation with the other Parties, unless such disclosure is required to meet timely disclosure obligations of such Parties or their Affiliates under applicable Laws in circumstances where prior consultation with the other Parties is not practicable, and a copy of such disclosure shall be provided to the other Parties at such time as it is made publicly available

16.3 Filing of Agreement

Each Party agrees that if a Party or any of its Affiliates is required to file a copy of this Agreement in any public registry, filing system or depository, including, in order to comply with applicable Law, it must notify the other Party of such requirement promptly and the Parties must consult with each other with respect to any proposed redactions to this Agreement in compliance with such applicable Laws before it is filed in any such registry, filing system or depository.

17. DISPUTE RESOLUTION

17.1 Disputes

Any dispute, controversy or claim in relation to this Agreement, including the existence, interpretation, validity, performance or breach of this Agreement or any matter arising under this Agreement, including whether any matter is subject to arbitration or this Article 17 (“**Dispute**”) must be resolved in accordance with the provisions of this Article 17.

17.2 Dispute Notices and Dispute Representatives

- (a) In the event of any Dispute between the Parties, a Party may give to the other Party a notice (“**Dispute Notice**”) specifying the Dispute and requiring its resolution under this Article 17.
- (b) If the Dispute is not resolved within ten (10) Business Days after a Dispute Notice is given to the other Party, then each Party must nominate one (1) representative from its senior management to resolve the Dispute (each, a “**Dispute Representative**”), who must negotiate using their respective commercially reasonable efforts to attain a resolution of the Dispute.

17.3 Arbitration

- (a) If a Dispute has not been resolved by the Dispute Representatives under Section 17.2(b) within ten (10) Business Days of the date of referral of the Dispute to the

Dispute Representatives or such longer period of time as agreed, then a Party may, by notice in writing to the other Party (an “**Arbitration Notice**”), submit the Dispute to arbitration for determination in accordance with the remaining provisions of this Article 17.

- (b) The Parties agree that:
- (i) any Dispute will be finally resolved by arbitration conducted in accordance with the then current Rules of Procedure of VanIAC (the “**VanIAC Rules**”), except as otherwise provided in this Article 17;
 - (ii) the seat or legal place of the arbitration will be Vancouver, British Columbia, Canada and the language of the arbitration will be English;
 - (iii) all arbitral proceedings will be private and confidential and may be attended only by the arbitrators, the Parties, their counsel, representatives of the Parties who are required to consult or instruct counsel, and witnesses to the extent that they are testifying in the proceedings;
 - (iv) any Dispute:
 - (A) involving amounts of \$5,000,000 or less must be heard and determined by a single arbitrator and the Parties shall attempt to agree on the identity of, and appoint, the single arbitrator that meets the conditions set out in section 17.3(b)(v) within ten (10) Business Days after the Arbitration Notice was delivered; and
 - (B) involving amounts of more than \$5,000,000 must be heard and determined by three (3) arbitrators and each Party must, within ten (10) Business Days after the Arbitration Notice was delivered, select one (1) person to act as arbitrator that meets the conditions set out in section 17.3(b)(v). The two (2) arbitrators so selected must, within five (5) Business Days of their appointment, select a third arbitrator who will serve as the chairperson of the arbitral panel;
 - (v) each arbitrator must be a disinterested person who has no connection with either Party or the performance of this Agreement and who is either:
 - (A) a lawyer that has been a member of the bar of a Canadian province or territory for at least 20 years and who is qualified by education, training and experience to hear and determine matters in the nature of the Dispute; or
 - (B) a former judge of the Supreme Court of British Columbia, the Court of Appeal for British Columbia, or the Supreme Court of Canada;
 - (vi) if a Party fails to appoint an arbitrator as required under Section 17.3(b)(iv) within ten (10) Business Days after the Arbitration Notice was delivered, or if the arbitrators selected by the Parties pursuant to Section 17.3(b)(iv)(B) are unable or fail to agree upon a third arbitrator within five (5) Business

Days of their appointment, then that arbitrator will be selected and appointed in accordance with the VanIAC Rules;

- (vii) if an arbitrator dies, resigns, refuses to act, or becomes incapable of performing his or her functions as an arbitrator, then a new arbitrator shall be appointed in the place of the previous arbitrator pursuant to the process set out in Section 17.3, except that the ten Business Day period provided for in Section 17.3(b)(vi) shall commence on the date that the Parties become aware of the death, resignation, refusal to act, or incapacity of the then-presiding arbitrator;
 - (viii) the arbitral panel may determine all questions of law and jurisdiction (including questions as to whether or not a Dispute is arbitrable) and all matters of procedure relating to the arbitration;
 - (ix) any award or determination of the arbitral panel will be final and binding upon the Parties in respect of all matters relating to the arbitration, the procedure, the conduct of the Parties during the proceedings and the final determination of the issues in the arbitration; and
 - (x) judgment on any arbitral award may be entered and enforced in any court of competent jurisdiction.
- (c) Notwithstanding the foregoing, any Party may apply to a court of competent jurisdiction for an interim measure of protection, or for any order for equitable relief explicitly provided for in this Agreement which the arbitrator does not have the jurisdiction to grant.

17.4 Performance of Obligations During Dispute

To the extent permitted by the nature of the Dispute, during the existence of any Dispute the Parties must continue to perform their respective obligations under this Agreement without prejudice to their position in respect of such Dispute, unless the Parties otherwise agree.

18. NOTICE

18.1 Form of Notice

Any notice, consent, demand or other communication in relation to this Agreement ("**Notice**") must be:

- (a) in writing;
- (b) delivered by hand or by prepaid, registered or certified mail or courier to the address, or if sent electronically as an attachment to an email to the email or other internet address for each Party.

18.2 Delivery

- (a) A Notice is effective:
 - (i) if delivered by hand, on the date it is delivered to the addressee;

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- (ii) in the case of delivery by mail, five (5) Business Days after the date of posting (if posted to an address in the same country) or ten (10) Business Days after the date of posting (if posted to an address in another country);
 - (iii) if couriered, on the date on which the courier confirms delivery; or
 - (iv) if sent electronically at the time which is 12 hours from the time the email was sent,

unless a later time is specified in the Notice.

- (b) A Notice received after 5pm in the place of receipt is taken to be received on the next Business Day in the place of receipt.
- (c) An email does not itself constitute a Notice but a Notice may be transmitted as an attachment to an email.

18.3 Address for Notice

- (a) Each Party's address and email address will be as specified below or as notified in writing from time to time to the other Party:
 - (i) in the case of the Company:
 - Attention: Terence Harbort
 - Address: Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, BC, V6C 3E8
 - Email Address: **[email address redacted]**
 - (ii) in the case of the Parent:
 - Attention: Terence Harbort
 - Address: 350 Bay Street, Suite 400, Toronto, ON, M5H 2S6
 - Email Address: **[email address redacted]**
 - (iii) in the case of the Royalty Holder:
 - Attention: Michael Harrison
 - Address: 200 Bay Street, Suite 2600, Toronto ON M5J 2J1
 - Email Address: **[email address redacted]**
- (b) A Party may, from time to time, notify the other Party in writing of any change to its details in Section 18.3.

19. GENERAL

19.1 Costs and Outlays

Except as otherwise provided for in this Agreement and subject to the following provisions of this Section 19.1, all costs and expenses incurred by a Party will be for its own account. The Company must pay to the Royalty Holder on demand all reasonable and documented

costs and expenses of the Royalty Holder and its agents, counsel, and any receiver or receiver-manager appointed by them or by a court (including all fees, expenses and disbursements of legal counsel) in connection with this Agreement and the documents contemplated hereunder, including: (a) the preparation, negotiation, and completion of this Agreement and the other documents contemplated hereunder or any actual or proposed amendment or modification thereof or any waiver thereunder and all instruments supplemental or ancillary thereto; (b) fees and expenses of the Royalty Holder incurred as part of the Royalty Holder's due diligence; (c) the reasonable and documented fees and expenses of the Royalty Holder's mining and other technical consultants, provided that such fees and expenses are incurred in relation to technical review either prior to the Execution Date or as required, in the sole discretion of the Royalty Holder, to determine whether the conditions precedent in favour of the Royalty Holder for any Closing have been satisfied; (d) the registration, maintenance and/or discharge of any of the Security in any public record office; and (e) the defence, establishment, protection or enforcement of any of the rights or remedies of the Royalty Holder under this Agreement or any of the other documents contemplated hereunder. For greater certainty, the Royalty Holder may set-off any amounts due and owing from the Company or the Parent to the Royalty Holder under this Section 19.1 against any Closing Payment due at the applicable Closing.

19.2 Taxes

- (a) All payments, deliveries and Transfers of property of any kind made under this Agreement or document to be delivered hereunder by or on behalf of the Company will be made free and clear and without any present or future deduction, withholding, charge, collection, levy or imposition for or on account of any Taxes, and without setoff or counterclaim, except as required by applicable Laws. All Taxes (other than Excluded Taxes), if any, as are required by applicable Laws to be deducted, withheld, charged, levied, collected or imposed on any Person on or with respect to any such payment, delivery or Transfer made by or on behalf of the Company must be paid by the Company by paying to the Royalty Holder, in addition to such payment, delivery or Transfer, such additional payment, delivery or Transfer as is necessary to ensure that the net amount received by the Royalty Holder (net of any such Taxes, including any Taxes (other than Excluded Taxes) required to be deducted, withheld, charged, levied, collected or imposed on any such additional amounts) equals the full amount that the Royalty Holder would have received had no such deduction, withholding, charge, levy, collection or imposition of Taxes (other than Excluded Taxes) been required.
- (b) The Royalty Holder shall deliver to the Company, at the time or times reasonably requested by the Company, such properly completed and executed documentation reasonably requested by the Company as will permit the Company to determine whether payments to be made under this Agreement may be made without withholding or at a reduced rate of withholding. In addition, the Royalty Holder, if reasonably requested by the Company, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Company as will enable the Company to determine whether or not the Royalty Holder is subject to backup withholding or information reporting requirements.
- (c) If the Royalty Holder becomes liable for any Tax, other than Excluded Taxes, imposed on any payments or deliveries under this Agreement, the Company must indemnify the Royalty Holder for such Tax, and the indemnity payment will be increased by the amount of any Tax (other than Excluded Taxes) imposed on the

indemnity payment (including any Tax (other than Excluded Taxes) imposed in respect of any such increases in the indemnity payment). If reasonably requested by the Company, the Royalty Holder will use reasonable efforts to dispute the imposition or assertion of such Taxes by the relevant Governmental Body, all at the Company's expense. A certificate as to the amount of such payment or liability delivered to the Company by the Royalty Holder will be conclusive absent manifest error.

- (d) If the Royalty Holder has received a refund of any Taxes as to which it has been indemnified by the Company or with respect to which the Company has paid additional amounts pursuant to this Section 19.2 or, because of the payment of such Taxes, has benefited from a reduction in Excluded Taxes otherwise payable by it, it must pay to the Company an amount equal to such refund or reduction (but only to the extent of indemnity payments made, or additional amounts paid, by the Company under this Section 19.2 with respect to the Taxes giving rise to such refund or reduction), net of all reasonable out-of-pocket expenses of the Royalty Holder and without interest (other than any net after-Tax interest paid by the relevant Governmental Body with respect to such refund). The Company, upon the request of the Royalty Holder, agrees to repay the amount paid over to the Company (plus any penalties, interest or other charges imposed by the relevant Governmental Body) to the Royalty Holder if the Royalty Holder is required to repay such refund or reduction to such Governmental Body. This Section 19.2(d) will not be construed to require the Royalty Holder to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the Company or any other Person, to arrange its affairs in any particular manner or to claim any available refund or reduction.
- (e) The Parties agree to reasonably cooperate to (i) ensure that no more Taxes, duties or other charges are payable other than as required under applicable Law and (ii) obtain a refund or credit of any Taxes which have been overpaid.

19.3 Governing Law

- (a) This Agreement is governed by the law in force in the Province of British Columbia and the law of Canada applicable therein, without regard to any conflict of laws or choice of laws rules or principles that would permit or require the application of the laws of any other jurisdiction.
- (b) Subject to Section 17, each Party irrevocably submits to the exclusive jurisdiction of the courts exercising jurisdiction in the Province of British Columbia and any court that may hear appeals from any of those courts for any proceeding in connection with this Agreement, subject only to the right to enforce a judgment obtained in any of those courts in any other jurisdiction.

19.4 Other Activities and Interests

This Agreement and the rights and obligations of the Parties under this Agreement are limited to the Property and the Project. Except as expressly provided in any other written agreement between the Parties with respect to the Property (and then only to the extent expressly provided in that other written agreement), each Party will have the free and unrestricted right to enter into, conduct and benefit from any and all business ventures of any kind whatsoever, whether or not competitive with the activities undertaken under this

Agreement, without disclosing such activities to the other Party or inviting or allowing the other Party to participate in those activities including activities involving mineral claims or mineral leases adjoining the Property.

19.5 No Partnership

This Agreement is not intended to, and will be deemed not to, create any partnership between the Parties including a mining partnership or commercial partnership. Other than as expressly stated herein in respect of the Company and the Parent, the obligations and liabilities of the Parties will be several and not joint and neither Party will have or purport to have any authority to act for or to assume any obligations or responsibility on behalf of the other Party. Nothing in this Agreement will be deemed to constitute a Party the partner, agent or legal representative of the other Party or to create any fiduciary relationship between the Parties.

19.6 Consent

Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit, then, unless otherwise specified, the Party whose consent or approval is required will be conclusively deemed to have withheld its approval or consent.

19.7 Severability

If anything in this Agreement is unenforceable, illegal or void then it is severed and the rest of this Agreement remains in force. Where a provision of this Agreement is prohibited or unenforceable, the Parties must negotiate in good faith to replace the invalid provision by a provision which is in accordance with applicable Law and which must be as close as possible to the Parties' original intent and appropriate consequential amendments (if any) will be made to this Agreement.

19.8 Compliance with National Instrument 43-101

The Parties acknowledge that the Royalty Holder or Affiliates of the Royalty Holder are or may become subject to NI 43-101. Upon written request by the Royalty Holder or an Affiliate of the Royalty Holder, the Company must:

- (a) provide to the Royalty Holder, at the Royalty Holder's expense, any and all necessary technical data (including in respect of Mineral Resources and Mineral Reserves), documents or reports on the Property as are in the Company's or its Affiliates' possession or which are readily available to the Company or its Affiliates and which may be reasonably requested by the Royalty Holder or its Affiliates to facilitate compliance with the requirements of NI 43-101;
- (b) grant access to the Property to the Royalty Holder, its Affiliates or any representative of the Royalty Holder or its Affiliates for personal inspection of the Property;
- (c) if requested by the Royalty Holder, include in any technical report prepared for the Company or its Affiliates in accordance with NI 43-101 scientific and technical information that is material to the Royalty Holder or its Affiliates;

-
- (d) upon the request of the Royalty Holder, use commercially reasonable efforts to cause the author(s) of any report prepared for the Company or its Affiliates in accordance with NI 43-101 to provide, at the sole cost and expense of the Royalty Holder, (i) a copy of such report to be addressed to the Royalty Holder or any of its Affiliates, (ii) the relevant certificates and consents of the author(s) required in connection with the filing of and reference to such report to be provided to the Royalty Holder or any of its Affiliates, and (iii) such other consents in connection with the use of or reliance upon such report by the Royalty Holder or any of its Affiliates from time to time in its public disclosure as may be required by the Royalty Holder; and
 - (e) allow any report prepared for the Company or its Affiliates in accordance with NI 43-101 to be used by the Royalty Holder or its Affiliates in any technical report prepared for the Royalty Holder or its Affiliates, on condition that a “qualified person” (as such term is defined in NI 43-101) engaged by the Royalty Holder is the author of the report prepared for the Royalty Holder or its Affiliates.

19.9 Replacement Product Prices

If an Average Product Price specified in this Agreement ceases to exist, ceases to be published, or should no longer be internationally recognized as the basis for payment for the Product to which it relates then upon request by either Party, the Parties must promptly consult together in good faith with the view to agreeing on whatever modifications to the definitions related to Average Product Price are necessary to make this Agreement again acceptable to both Parties and must do their utmost to come to a fair and reasonable agreement based upon another internationally recognized metal price quotation for use in international trade.

19.10 Entire Agreement

This Agreement and the Security Documents constitute the entire agreement between the Parties in respect of its subject matter and supersede all prior agreements, understandings, representations, warranties, promises, statements, negotiations, letters and documents in respect of its subject matter (if any) made or given prior to the Execution Date.

19.11 Time of the Essence

Time is of the essence of this Agreement. If the Parties agree to vary a time requirement, then the time requirement so varied is of the essence of this Agreement. An agreement to vary a time requirement must be in writing.

19.12 Further Assurances

Each Party must promptly at its own cost do all things (including executing and if necessary delivering all documents) necessary or desirable to give full effect to this Agreement.

19.13 Amendment

An amendment or variation to this Agreement is not effective unless it is in writing and signed by the Parties.

19.14 Waiver

A Party's failure or delay to exercise a power or right does not operate as a waiver of that power or right. The exercise of a power or right does not preclude either its exercise in the future or the exercise of any other power or right. A waiver is not effective unless it is in writing. Waiver of a power or right is effective only in respect of the specific instance to which it relates and for the specific purpose for which it is given.

19.15 Successors and Assigns

This Agreement will enure to the benefit of and be binding on the Parties and their respective successors and permitted assigns.

19.16 Counterparts

This Agreement may be executed in any number of counterparts. Each counterpart is an original but the counterparts together are one and the same agreement. This Agreement is binding on the Parties on the exchange of counterparts. A copy of a counterpart sent by electronic mail:

- (a) must be treated as an original counterpart;
- (b) is sufficient evidence of the execution of the original; and
- (c) may be produced in evidence for all purposes in place of the original.

19.17 Execution - Authorized Officer to Sign

Each person signing this Agreement as an authorized officer of a Party hereby represents and warrants that he or she is duly authorized to sign this Agreement for that Party and that this Agreement will, upon having been so executed, be binding on that Party in accordance with its terms.

[Execution Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and delivered as of the date first set forth above.

BRALORNE GOLD MINES LTD.

By: "Terence Harbort"

Name: Terence Harbort
Title: CEO and Director

TALISKER RESOURCES LTD.

By: "Terence Harbort"

Name: Terence Harbort
Title: CEO and Director

SPROTT PRIVATE RESOURCE STREAMING AND ROYALTY (B) CORP.

By: "Michael Harrison"

Name: Michael Harrison
Title: Chief Executive Officer

SCHEDULE A - DESCRIPTION OF PROPERTY**(a) Crown Granted Mineral Claims**

	DL No.	Claim Name	Crown Grant No.
1.	540	WHITE CROW	1047/108
2.	5463	RAYMOND	4493/615
3.	5464	SAVAGE	4494/615
4.	5465	WINCHESTER	4495/615
5.	5466	LEE METFORD	4496/615
6.	5467	CARBINE	4993/620
7.	5468	EAGLE FRACTION	5383/624
8.	5469	EAGLE	5384/624
9.	5470	EAGLE NO. 1	5385/624
10.	5475	LUCKY BOY FRACTION	2411/595
11.	5476	BESSIE FRACTION	2409/595
12.	5477	SAVOY	4035/611
13.	5478	EMPIRE FRACTION	9829/569
14.	5479	EUREKA	2414/595
15.	5480	CASCADE FRACTION	9830/569
16.	5481	COSMOPOLITAN FRACTION	2410/595
17.	5482	DUKE FRACTION	2413/595
18.	5483	CORONATION FRACTION	2408/595
19.	5484	POLNUD	9831/569
20.	5485	MACK FRACTION	9832/569
21.	5486	NIGHT HAWK FRACTION	9833/569
22.	5487	POLNUD FRACTION	9834/569
23.	5488	PASADENA FRACTION	9835/569
24.	5489	TELEPHONE FRACTION	2412/595
25.	5508	MONICA MARJORIE	4205/613
26.	5517	A FRACTION	4208/613
27.	5518	HILDA	4203/613
28.	5519	B FRACTION	4783/618
29.	5520	MARGARET	4201/613
30.	5521	HOPE	4206/613
31.	5522	DAVID	4204/613
32.	5523	JACK	4207/613
33.	5524	ANNETTE FRACTION	3074/601
34.	5525	BUCK FRACTION	3069/601
35.	5582	MILLBANK	2178/54
36.	5591	GREAT DIVIDE FRACTION	4202/613
37.	5594	DEVELOPMENT NO. 2	4784/618
38.	5595	DEVELOPMENT NO. 1	4785/618
39.	5596	DEVELOPMENT NO. 2A	4786/618
40.	5597	DEVELOPMENT NO. 3	4787/618
41.	5598	DEVELOPMENT NO. 4	4788/618
42.	5742	SUNBEAM	258/673
43.	5743	COMSTOCK NO. 5	259/673

	DL No.	Claim Name	Crown Grant No.
44.	5744	COMSTOCK NO. 2	260/673
45.	5745	HOMESTAKE	9800/668
46.	5746	SUNSHINE	261/673
47.	5747	COMSTOCK NO. 3	262/673
48.	5748	LORENZO	263/673
49.	5750	ORION NO. 4	264/673
50.	5751	ORION	265/673
51.	5752	COMSTOCK NO. 8	266/673
52.	5754	COMSTOCK NO. 7	267/673
53.	5755	COMSTOCK NO. 6	268/673
54.	579	WOOD CHUCK	5405/525
55.	580	COPELAND	1879/125
56.	581	HIRAM	1880/125
57.	584	COSMOPOLITAN	2740/146
58.	586	MARQUIS	5408/525
59.	587	GOLDEN KING	5409/525
60.	588	LORNE	5410/525
61.	5920	EDNA MARY	4497/615
62.	5921	ALEX FRACTION	4498/615
63.	5922	ALEX NO. 2 FRACTION	4499/615
64.	5923	RAYMOND FRACTION	4500/615
65.	5924	STAR FRACTION	4501/616
66.	5925	STAR NO. 1 FRACTION	4502/616
67.	6037	TURRET FRACTION	4177/612
68.	6038	GOLD KING	4176/612
69.	6039	EAGLE	4197/612
70.	6040	WHITE STAR	4196/612
71.	6041	ANNE FRACTION	4175/612
72.	6045	ROBIN FRACTION	4174/612
73.	6048	MARIE FRACTION	4173/612
74.	6466	BLUE JAY	4994/620
75.	665	ALHAMBRA	2166/131
76.	666	NIGHT HAWK	2167/131
77.	667	LURGAN FRACTION NO 1	2168/131
78.	668	LURGAN FRACTION NO 2	2169/131
79.	669	METROPOLITAN	2170/131
80.	670	TELEPHONE	5406/525
81.	671	WOOD DUCK	5407/525
82.	673	EXCHANGE FRACTION	7153/416
83.	6830	DIANE	9284/863
84.	6839	HEATHER FRACTION	9282/863
85.	6840	CAROL FRACTION	9283/863
86.	6945	LEE FRACTION	8144/652
87.	6946	A.M.	8145/652
88.	6947	BEEF FRACTION	8146/652
89.	6948	DEEP FRACTION	8147/652
90.	6954	AUDREY FRACTION	8830/659
91.	7428	J.B. FRACTION	4490/715

	DL No.	Claim Name	Crown Grant No.
92.	7429	JEAN FRACTION	4491/715
93.	7430	JEAN NO. 4 FRACTION	4492/715
94.	1176	BLACKBIRD	4989/243
95.	1177	COUNTLESS	4943/243
96.	1179	NELLIE	4999/243
97.	1221	WHIP-POOR-WILL	5000/243
98.	1222	DUKE	5011/243
99.	1224	ROYAL	5012/243
100.	1225	LE ROY	5013/243
101.	1226	MAUD S. FRAC.	4990/243
102.	2372	SILVER DOLLAR	6114/1232
103.	2374	GOLDEN RIBBON	6114/1232
104.	2375	ALMA	6114/1232
105.	2376	UNION FRACTION	6114/1232
106.	2377	GOLDEN QUEEN FRACTION	6114/1232
107.	2378	SILVER KING	6114/1232
108.	2379	MOTHERLODE FRACTION	6114/1232
109.	2380	ANDY FRACTION	6114/1232
110.	2381	DON F	6114/1232
111.	2382	DON C	6114/1232
112.	2383	DON A	6114/1232
113.	2384	DON E	6114/1232
114.	2385	DON B FRACTION	6114/1232
115.	2387	ROBIN	6114/1232
116.	2388	RAINIER	6114/1232
117.	2389	TACOMA	6114/1232
118.	2390	SEATTLE	6114/1232
119.	2393	NUGGET KING	6114/1232
120.	2394	DON Z FRACTION	6114/1232
121.	3045	SUNSET	7707/458
122.	3046	GREAT FOX	5925/344
123.	3047	EAST PACIFIC	6630/382
124.	3048	CLIFTON	6631/382
125.	3049	CORASAND	5926/344
126.	3050	EMMADALE	5927/344
127.	3051	UNION JACK FRAC.	5928/344
128.	3053	TITANIC FRAC.	7708/458
129.	3091	INVINCIBLE	7652/458
130.	456	PIONEER	1858/123
131.	458	NELLIE FRACTION	1018/106
132.	459	MARY FRACTION	1019/106
133.	460	TRIO	1354/115
134.	5323	LEON NO. 1	3075/601
135.	5324	LEON FRACTION	8143/652
136.	5325	LEON NO. 2	3071/601
137.	5326	LEON NO. 3	3073/601
138.	5328	LEON NO 4	3076/601
139.	5331	VICTOR FRACTION	3070/601

	DL No.	Claim Name	Crown Grant No.
140.	5332	HIRAM FRACTION	3072/601
141.	539	LITTLE JOE	1046/108
142.	541	BEND'OR FRACTION	1048/108
143.	542	JIM CROW FRACTION	1049/108
144.	543	DELIGHTED	1050/108
145.	5455	VIRGINIA	4487/615
146.	5456	NOELTON FRACTION	3367/604
147.	5457	MAUSER	4488/615
148.	5458	CARL	4992/620
149.	5459	ALEX	4489/615
150.	5460	MATTHEW	4490/615
151.	5461	JOHN	4491/615
152.	5462	KATHLEEN	4492/615
153.	457	IDA MAY	1017/106
154.	5554	JEFFERSON	5945/630
155.	5555	WASHINGTON	5946/630
156.	5557	LINCOLN	6316/634
157.	5558	BRYAN	6317/634
158.	5559	BESS	3146/602
159.	5560	PIONEER EXTENSION	5196/622
160.	5563	PIONEER EXTENSION NO. 2	6319/634
161.	5570	PIONEER EXTENSION NO. 3	3145/602
162.	5565	JUSTRITE	5197/622
163.	5566	DOERITE	5198/622
164.	5567	JACKRITE	5199/622
165.	5569	TWOFOUR FRACTION	6380/634
166.	5590	PLUTUS NO. 8	6267/633
167.	5551	HOOVER FRACTION	5942/630
168.	5553	GARFIELD	5944/630
169.	5556	CLEVELAND	5947/630
170.	5561	PIONEER EXTENSION FRACT.	6318/634
171.	5932	NUGGET NO. 1	3028/701
172.	5933	NUGGET NO. 2	3029/701
173.	5934	NUGGET NO. 3	3030/701
174.	5935	NUGGET NO. 4	3031/701
175.	5936	BLUEBIRD NO. 1	3032/701
176.	5937	BLUEBIRD NO. 3	3033/701
177.	5938	BLUEBIRD NO. 4	3051/701
178.	5939	BLUEBIRD NO. 2	3034/701
179.	5940	BLUEBIRD NO .5	3035/701
180.	5941	BLUEBIRD NO. 6	3036/701
181.	5942	BELMONT	3037/701
182.	5943	BELMONT NO. 2	3038/701
183.	5944	BELMONT NO. 3	3039/701
184.	5945	BELMONT NO. 4	3040/701
185.	5946	UNITE FRACTION	3041/701
186.	5947	BELL FRACTION	3042/701
187.	5948	LOCK FRACTION	3043/701

	DL No.	Claim Name	Crown Grant No.
188.	6257	BELMONT NO. 6	3044/701
189.	6260	BELMONT NO. 5	3045/701
190.	7236	STIBNITE NO. 1	708/978
191.	7237	STIBNITE NO. 2	709/978
192.	7238	STIBNITE NO. 3	714/978
193.	7239	STIBNITE NO. 4	715/978
194.	7241	DAVID FRACTION	710/978
195.	7242	ROBERT FRACTION	713/978
196.	7243	SNOWFLAKE FRACTION	712/978
197.	7244	T.X. NO. 1 FRACTION	711/978
198.	6044	DON C FR.	4991/620 (portion, excluding 6.27 acre part)

(b) Mining Leases

	Tenure No.	Issue Date	Good To Date	Expiry Date of Current Term
1.	229441	1958/DEC/18	2023/DEC/18	2051/DEC/18
2.	229442	1959/OCT/26	2023/OCT/26	2051/OCT/26
3.	229445	1971/SEP/20	2023/SEP/20	2052/SEP/20

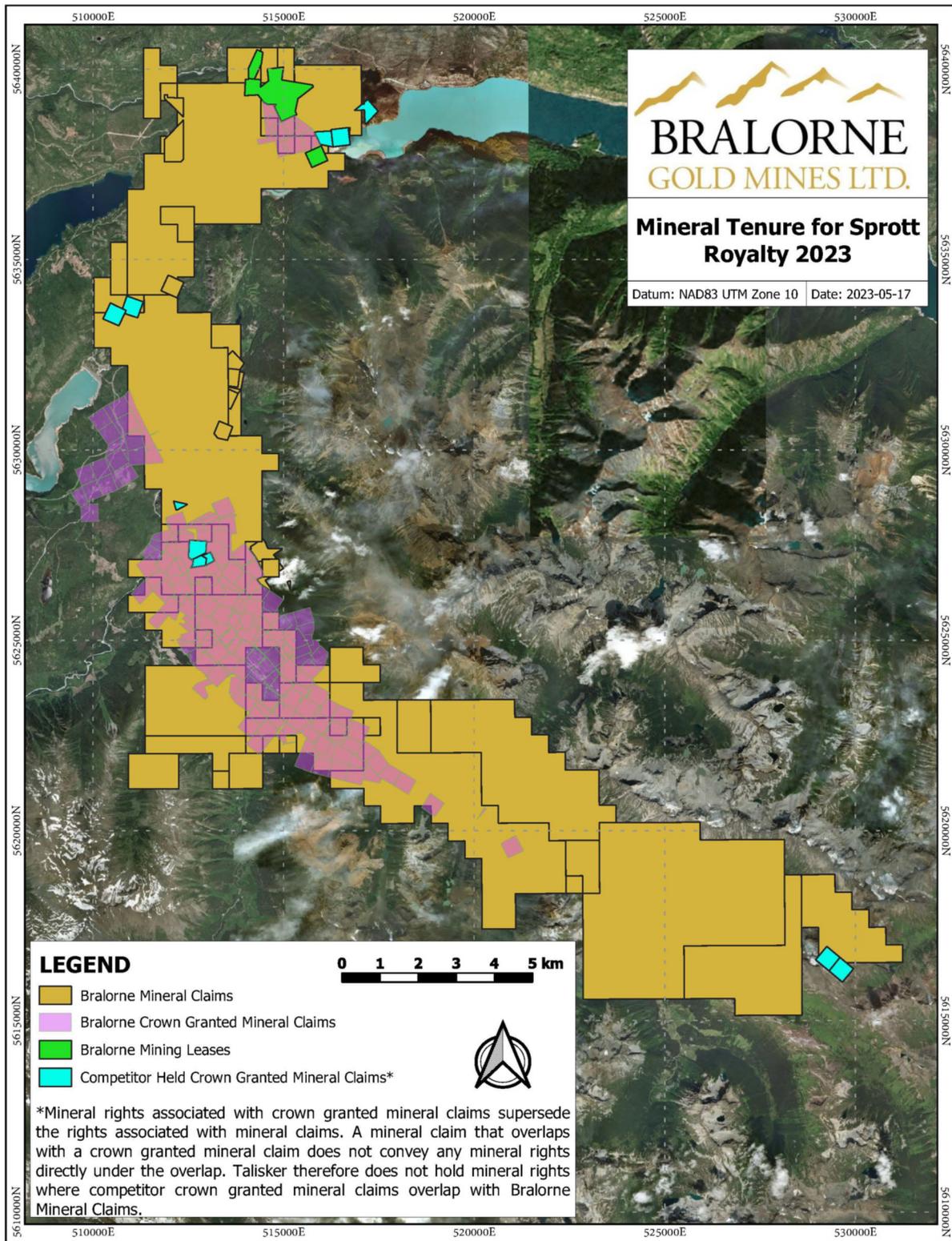
(c) Mineral Claims

	Claim Number	Claim Name	Issue Date	Good to Date
1.	228251	REFER TO LOT TABLE	1979/JAN/23	2032/DEC/31
2.	228252	REFER TO LOT TABLE	1979/JAN/23	2032/DEC/31
3.	228376	NAP NO.7	1980/NOV/28	2032/DEC/31
4.	228461	REFER TO LOT TABLE	1982/NOV/10	2032/DEC/31
5.	228462	REFER TO LOT TABLE	1982/NOV/10	2032/DEC/31
6.	228501	FISHLAKE #2	1983/APR/11	2032/DEC/31
7.	228544	PINE	1983/OCT/19	2032/DEC/31
8.	228736	REFER TO LOT TABLE	1985/NOV/14	2032/DEC/31
9.	228738	REFER TO LOT TABLE	1985/NOV/14	2032/DEC/31
10.	316338	MEAD	1993/FEB/28	2032/DEC/31
11.	316573	KING	1993/MAR/05	2032/DEC/31
12.	351061	REFER TO LOT TABLE	1996/SEP/30	2032/DEC/31
13.	509835		2005/MAR/30	2032/DEC/31
14.	509864		2005/MAR/30	2032/DEC/31
15.	510035		2005/APR/01	2032/DEC/31
16.	510050		2005/APR/01	2032/DEC/31
17.	510227		2005/APR/05	2032/DEC/31
18.	510318		2005/APR/07	2032/DEC/31
19.	510327		2005/APR/07	2032/DEC/31

	Claim Number	Claim Name	Issue Date	Good to Date
20.	510593		2005/APR/12	2032/DEC/31
21.	510594		2005/APR/12	2032/DEC/31
22.	510595		2005/APR/12	2032/DEC/31
23.	510596		2005/APR/12	2032/DEC/31
24.	510597		2005/APR/12	2032/DEC/31
25.	510708		2005/APR/13	2032/DEC/31
26.	511088		2005/APR/19	2032/DEC/31
27.	511645	BP 1	2005/APR/25	2032/DEC/31
28.	517111		2005/JUL/12	2032/DEC/31
29.	517166		2005/JUL/12	2032/DEC/31
30.	517274		2005/JUL/12	2032/DEC/31
31.	517277		2005/JUL/12	2032/DEC/31
32.	517280		2005/JUL/12	2032/DEC/31
33.	529130	HILLSIDE	2006/FEB/28	2032/DEC/31
34.	534946	LEVON 6	2006/JUN/06	2032/DEC/31
35.	548802	NEWCOMSTOCK TWO	2007/JAN/06	2032/DEC/31
36.	548803	NEWCOMSTOCK THREE	2007/JAN/06	2032/DEC/31
37.	552951	L7	2007/FEB/28	2032/DEC/31
38.	552953	BP3	2007/FEB/28	2032/DEC/31
39.	552955	BP4	2007/FEB/28	2032/DEC/31
40.	552959	BP5	2007/FEB/28	2032/DEC/31
41.	552966	BP6	2007/FEB/28	2032/DEC/31
42.	552971	BR7	2007/FEB/28	2032/DEC/31
43.	552973	BP8	2007/FEB/28	2032/DEC/31
44.	608095	DEVELOPMENT FRACTION	2009/JUL/16	2032/DEC/31
45.	719549	NUGGET KING	2010/MAR/10	2032/DEC/31
46.	818062	DEV. FR. 2	2010/JUL/14	2032/DEC/31
47.	882129	PIONEER EXTENSION	2011/AUG/05	2032/DEC/31
48.	1051046		2017/MAR/29	2032/DEC/31
49.	1056162	BRALORNE S.E.	2017/NOV/08	2032/DEC/31
50.	1060496	BRALORNE HH SOUTH EAST	2018/MAY/08	2032/DEC/31
51.	1060851	HI HO BRALORNE PIONEER	2018/MAY/30	2032/DEC/31
52.	1064177	LEVON 8	2018/NOV/01	2032/DEC/31
53.	1068146	ROYALLE2019A	2019/APR/26	2032/DEC/31
54.	1068183	ROYALLE2019B	2019/APR/27	2032/DEC/31
55.	1077119	BRALORNE ORO	2020/JUL/08	2030/MAR/15
56.	1090722	CNG	2022/JAN/24	2032/DEC/31
57.	1091077	JAR	2022/JAN/26	2032/DEC/31
58.	1091197	TALB	2022/JAN/26	2032/DEC/31

	Claim Number	Claim Name	Issue Date	Good to Date
59.	1101239	PIO	2023/JAN/27	2024/JAN/27
60.	1101254	NE1	2023/JAN/27	2024/JAN/27
61.	1101278	SPIO	2023/JAN/27	2024/JAN/27
62.	1101296	SSW2	2023/JAN/27	2024/JAN/27
63.	1102431	PIO_EAST	2023/FEB/22	2024/FEB/22
64.	1103389	BRA_23	2023/MAR/30	2024/MAR/30

SCHEDULE B - MAP OF PROPERTY



SCHEDULE C – SAMPLE PURCHASE PRICE REPAYMENT CALCULATION

Assuming:

- (a) First Closing occurs prior to June 30, 2023;
- (b) 36,000 ounces of gold is contained in the Product Sold to any Ore Buyer(s) during the Sales Testing Period; and
- (c) a total aggregate Purchase Price of \$18,750,000,

then $((T-P)/T) \times (1+r)^Q$, where:

$$T = 38,000$$

$$P = 36,000$$

$$R = 2.5\%$$

$$Q = Q2 -Q4 \text{ for } 2023, Q1-Q4 \text{ for } 2024, Q1-Q4 \text{ for } 2025, Q1-Q4 \text{ for } 2026 = 15$$

equals:

$$= \$18,750,000 * ((38,000 - 36,000) / (38,000)) * (1.025)^{15}$$

$$= \$18,750,000 * (2000/38000) * 1.448$$

$$= \mathbf{\$1,429,242.00}$$

If a Repurchase Payment for 50% of the Royalty Percentage were to be made on February 28, 2027, the amount of such Repurchase Payment **without reduction** would be:

$$= \$18,750,000 * (50 / 100) * 1.35$$

$$= \$12,656,250.00$$

The percentage reduction would be equal to $((T-P) / T) * 100\%$, as follows:

$$= ((38,000 - 36,000) / 38,000) * 100\%$$

$$= (2,000 / 38,000) * 100\%$$

$$= \mathbf{5.263\%}$$

Therefore, the Repurchase Payment reduced after payment of the Purchase Price Repayment would be equal to $\$12,656,250 * (1 - (5.263 / 100))$:

$$= \mathbf{\$11,990,151.60}$$

SCHEDULE D – REPRESENTATIONS AND WARRANTIES OF THE ROYALTY HOLDER

The Royalty Holder hereby represents and warrants to the Company, and acknowledges that the Company is relying upon such representations and warranties in connection with the entering into of this Agreement, that, as at the date of this Agreement (except to the extent that such representations, warranties and acknowledgements expressly speak of an earlier date):

[representations and warranties redacted – commercially sensitive information]

SCHEDULE E – REPRESENTATIONS AND WARRANTIES OF THE PROJECT ENTITIES

Each of the Project Entities hereby jointly and severally represent and warrant to the Royalty Holder, and acknowledge that the Royalty Holder is relying upon such representations and warranties in connection with the entering into of this Agreement, that, as at the date of this Agreement (except to the extent that such representations, warranties and acknowledgements expressly speak of an earlier date):

[representations and warranties redacted – commercially sensitive information]

SCHEDULE F – FORM OF CONTINGENT RIGHTS CERTIFICATE

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [●], 2023. [NTD: insert the date that is 4 months from the First Closing Date]

THE COMMON SHARES UNDERLYING THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE LISTED ON THE TORONTO STOCK EXCHANGE (“TSX”); HOWEVER, THE SAID COMMON SHARES CANNOT BE TRADED THROUGH THE FACILITIES OF TSX SINCE THEY ARE NOT FREELY TRANSFERABLE, AND CONSEQUENTLY ANY CERTIFICATE REPRESENTING SUCH SECURITIES IS NOT “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON TSX.

CONTINGENT RIGHT CERTIFICATE

TALISKER RESOURCES LTD. (the “Company”)

Reference is made to the Royalty Agreement (the “**Agreement**”) between Sprott Private Resource Streaming and Royalty (B) Corp. (“**Sprott**”) Bralorne Gold Mines Ltd. and the Company dated [●], 2023. Defined terms that are not otherwise defined in this Contingent Rights Certificate (as defined below) shall have the meanings ascribed to such terms in the Agreement.

This certificate (the “**Contingent Right Certificate**”) is to certify that, for value received, Sprott (the “**Holder**”) is the holder of contingent rights (the “**Contingent Rights**”) to potentially be issued from time to time, certain common shares of the Company (the “**Qualifying Shares**”), at the sole option of the Company, in accordance with Section 2.9 and Section 2.12 of the Agreement, as applicable.

These Contingent Rights may only be exchanged in connection with Qualifying Shares being issued as permitted by the terms of the Agreement and Qualifying Shares will only be issued in accordance with the terms of the Agreement. The holding of this Contingent Right Certificate or the Contingent Rights represented hereby does not constitute the Holder a shareholder of the Company.

Subject to any requisite approvals, applicable law and the policies of any applicable stock exchange, the Holder may only transfer and/or assign the Contingent Rights represented by this Contingent Right Certificate in connection with any transfer and/or assignment permitted by the Agreement.

Any Qualifying Shares issued pursuant to the Agreement prior to [●], 2023 will bear the following legends:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [●], 2023”

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE LISTED ON THE TORONTO STOCK EXCHANGE (“TSX”); HOWEVER, THE SAID SECURITIES CANNOT BE TRADED THROUGH THE FACILITIES OF TSX SINCE THEY ARE NOT FREELY TRANSFERABLE, AND CONSEQUENTLY ANY CERTIFICATE REPRESENTING SUCH SECURITIES IS NOT “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON TSX.”

If any one or more of the provisions of this Contingent Right Certificate should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions contained herein shall be and shall be conclusively deemed to be, as to such jurisdiction, severable therefrom.

Subject to any requisite approval of any applicable stock exchange, the provisions of this Contingent Right Certificate and the Contingent Rights evidenced hereby may from time to time be amended, modified or waived, if such amendment, modification or waiver is in writing and consented to in writing by the Company and the Holder.

The Contingent Rights shall be deemed to be exchange on a *pro rata* basis upon the issuance of Qualifying Shares pursuant to Section 2.9 and Section 2.12 of the Agreement, as applicable, and shall automatically terminate upon the rights and obligations of the parties under Section 2.9 and Section 2.12 of the Agreement either being fully satisfied or expiring, as applicable.

Time will be of the essence hereof.

This Contingent Right Certificate will be subject to, governed by and construed in accordance with the laws of the Province of British Columbia and the law of Canada applicable therein.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Contingent Right Certificate to be signed as of [●], 2023.

TALISKER RESOURCES LTD.

Per:

Authorized Signatory

SCHEDULE G –

[schedule redacted commercially sensitive information]
