

ASSET PURCHASE AGREEMENT

This Agreement is made as of the 9th day of October, 2020 (the “**Effective Date**”)

BETWEEN:

PETRATHERM LTD., a company duly incorporated pursuant to the laws of Australia, and having its head office at 169 Fullarton Road, Dulwich SA 5065

(the “**Vendor**”)

AND:

SKARB EXPLORATION CORP., a company duly incorporated pursuant to the laws of the Province of British Columbia, and having its head office at 1055 West Hastings Street, Suite 970, Vancouver, British Columbia V6E 2E9

(the “**Purchaser**”)

WHEREAS:

- A. The Vendor is the registered and beneficial owner or applicant (as the case may be) of the Property (as defined herein).
- B. The Vendor agrees to sell to the Purchaser, and the Purchaser agrees to purchase from the Vendor, 100% of the right, title and interest in the Property on the terms and conditions set forth herein.
- C. The LOI (as defined herein) contemplated that the Parties would enter into a Definitive Agreement to more fully document the transaction, which is this Agreement.

THIS AGREEMENT WITNESSES THAT in consideration of the representations, warranties, covenants and agreements hereinafter set forth and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the Parties, the Parties represent, warrant, covenant and agree as follows:

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

- (a) “**Agents**” means the directors, officers, employees, representatives, advisors and agents of a Party;
- (b) “**Agreement**” means this asset purchase agreement, as amended, amended and restated or supplemented from time to time and includes any schedules;

- (c) “**Alternative Proposal**” means any proposal or offer made by a third party (whether written or oral) regarding (i) the acquisition or purchase by any Person or group of Persons acting jointly or in concert of an interest in the Property; (ii) a merger, recapitalization, restructuring, reorganization, amalgamation, arrangement, joint venture or other transaction involving the Property; or (iii) any other business transaction involving or otherwise relating to the Property;
- (d) “**ASX**” means the Australian Securities Exchange;
- (e) “**Business Day**” means any day other than a Saturday, a Sunday or a day observed as a public holiday in Vancouver, British Columbia or Adelaide, South Australia;
- (f) “**Closing Date**” means the date on which all of the conditions to the completion of the Transaction as set out in Article 7 have been satisfied or waived in accordance with the provisions of this Agreement and all documents agreed to be delivered hereunder have been delivered to the recipient or such other date as the Parties may agree;
- (g) “**Confidential Information**” means the terms of this Agreement and any other information about a Party or the Property obtained in the course of furthering this Agreement, or during the negotiations preceding this Agreement. The term “Confidential Information” as used herein will not include information that:
 - (i) is or becomes generally available to and known by the public (other than as a result of a material breach of this Agreement by a Party);
 - (ii) is or becomes available to a Party on a non-confidential nature from a third-party source other than the other Party or its Agents, provided that such source, to the Party’s knowledge, was not and is not prohibited from disclosing such Confidential Information to the Party by a contractual obligation such as a confidentiality agreement;
 - (iii) was already known by or in the possession of the Party or its Agents;
 - (iv) has been or is independently developed by a Party or its Agents without violating any of its obligations under this Agreement or without use of the Confidential Information;
- (h) “**Consideration Shares**” means:
 - (i) if the Pre-Emption Right is waived or not exercised by the Glenfine Owners, the 100,000,000 Purchaser Shares to be issued by the Purchaser to the Vendor at the deemed price of \$0.18 per Consideration Share which shall be apportioned as follows:
 - (A) as to 50,000,000 Consideration Shares, in consideration for the Vendor Tenements; and

- (B) as to 50,000,000 Consideration Shares, in consideration for the Vendor's rights, title and interest in the Glenfine Agreement;
- (ii) if the Pre-Emption Right is exercised by the Glenfine Owners, the 50,000,000 Purchaser Shares to be issued by the Purchaser to the Vendor at the deemed price of \$0.18 per Consideration Share in consideration for the Vendor Tenements;
- (i) **"Corporations Act"** means the *Corporations Act 2001* (Cth);
- (j) **"CSE"** means the Canadian Securities Exchange;
- (k) **"CSE Approval"** means the approval of the CSE for the Transaction as a "fundamental change" of the Purchaser;
- (l) **"Disposal Notice"** has the meaning given to such term in the Glenfine Agreement;
- (m) **"Distribution"** means the distribution of the Consideration Shares and, if Section 8.5 applies, the Subscription Securities which are Purchaser Shares by way of dividend, reduction of stated capital or other type of distribution in specie to the Vendor Shareholders as of the Record Date on a *pro rata* basis;
- (n) **"Distribution Deadline"** means the date that is 125 days after the Closing Date;
- (o) **"Distribution Wait Period"** means the period commencing on the Closing Date and ending on the date of completion of the Distribution;
- (p) **"EL"** means exploration license;
- (q) **"ELA"** means exploration license application;
- (r) **"Encumbrances"** means any mortgage, charge, easement, encroachment, lien, burden, assignment by way of security, security interest, servitude, pledge, hypothecation, conditional sale agreement, security agreement, title retention agreement, financing statement, option, right of pre-emption, right of first refusal or right of first offer, privilege, obligation to assign, license, sublicense trust, royalty, carried, working, participation or net profits interest or other third party interest or other encumbrance or any agreement, option, right or privilege capable of becoming any of the foregoing;
- (s) **"Environmental Laws"** means all applicable Laws relating to pollution or the protection and preservation of the environment, occupational health and safety, product safety, product liability or Hazardous Substances, including Laws relating to Releases or threatened Releases of Hazardous Substances into the indoor or outdoor environment (including ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, transport or handling of

Hazardous Substances and all Laws and regulations with regard to recordkeeping, notification, disclosure and reporting requirements respecting Hazardous Substances, and all Laws relating to endangered or threatened species of fish, wildlife and plants and the management or use of natural resources;

- (t) “**Glenfine Agreement**” means the Mining Farm-In and Joint Venture Agreement dated July 7, 2020 between the Vendor and the Glenfine Owners;
- (u) “**Glenfine Assignment Agreement**” means an assignment and assumption Agreement in form and substance satisfactory to the Purchaser, to be signed by the Glenfine Owners, the Vendor and the Purchaser in which the Vendor transfers all of its rights, title and interest in the Glenfine Agreement to the Purchaser and the Purchaser assumes all of the Vendor’s obligations thereunder;
- (v) “**Glenfine Owners**” means, collectively Cape Clear Minerals Pty Ltd (ACN 149 104 950) and Predictive Discovery Limited (ACN 127 171 877);
- (w) “**Glenfine Tenements**” means the tenements which are the subject of the Glenfine Agreement being EL 5344 (Glenfine), EL 5434 (Cape Clear) and EL 5537 (Devil’s Kitchen);
- (x) “**Governmental Entity**” means any multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank or tribunal; subdivision, agent, commission, board, or authority of any of the foregoing; or quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;
- (y) “**Hazardous Substance**” means, collectively, any contaminant, toxic substance, dangerous goods, or pollutant or any other substance the Release of which to the natural environment is likely to cause, at some immediate or future time, material harm or degradation to the natural environment or material risk to human health, including (a) any petroleum substances, radioactive materials, asbestos in any form that is or could become friable, urea formaldehyde foam insulation, transformers or other equipment that contains dielectric fluid containing polychlorinated biphenyls, and radon gas; (b) any chemicals, materials or substances defined under Environmental Laws as or included in the definition of “hazardous substances”, “hazardous wastes”, “hazardous materials”, “restricted hazardous materials”, “extremely hazardous substances”, “toxic substances”, “contaminants” or “pollutants” or words of similar meaning and regulatory effect; or (c) any other chemical, material or substance, exposure to which is prohibited, limited, or regulated by any Environmental Law;
- (z) “**IFRS**” means International Financial Reporting Standards;
- (aa) “**Interim Period**” means the period between the Effective Date and the Closing Date;

- (bb) “**Laws**” means any and all laws (statutory, common or otherwise), statutes, regulations, statutory rules, regulatory instruments, principles of law, orders, injunctions, judgments, published policies and guidelines (to the extent that they have the force of law), and terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity, statutory body or self-regulatory authority, and the term “applicable” with respect to such Laws and in the context that refers to one or more Persons means that such Laws apply to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or its or their business, undertaking, property or securities;
- (cc) “**LOI**” means the non-binding Letter of Intent in respect to the proposed Transaction entered into by the Parties on August 24, 2020;
- (dd) “**Mining Act**” means the *Mineral Resources (Sustainable Development) Act 1990* (Vic);
- (ee) “**Mining Information**” means all information which is available in respect of the Property including:
- (i) all surveys, maps, mosaics, aerial photographs, electromagnetic tapes, sketches, memoranda, plans, geophysical plots (including magnetics and EM) and diagrams of the Property and adjacent areas;
 - (ii) all drill samples and cores, drilling locations and logs from drilling conducted on the Property or adjacent areas;
 - (iii) geological and geochemical samples and geophysical logs and reports with respect to anomalous mineralization located within the Property and all other technical data and information prepared and/or assembled by the Vendor;
 - (iv) flora, fauna, hydrogeological and surface waters, ethnographic and archaeological surveys and environmental reports and audits; and
 - (v) other documents or information relating specifically to the Property, to work carried out or proposed to be carried out on the Property, or to the conduct of operations on the Property,
- in the possession, control or custody of, or owned by, the Vendor and howsoever held or stored;
- (ff) “**Minister**” means the Minister responsible for the Mining Act, as at the Effective Date being the Minister for Resources;
- (gg) “**Native Title Claims**” means a claim, determination or application made by a native title claim group, who declare they hold rights and interests in an area of land and/or water according to their traditional laws and customs;

- (hh) **“Native Title Group”** means, a representative or organization for any Native Title Claims or native title Person or people asserting or otherwise claiming they hold rights and interests in an area of land and/or water according to their traditional laws and customs;
- (ii) **“Outside Date”** means January 31, 2021;
- (jj) **“Parties”** means, collectively, the Vendor and the Purchaser and **“Party”** means any one of them;
- (kk) **“Person”** includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate, corporation, company, unincorporated association or organization, Governmental Entity, syndicate or other entity, whether or not having legal status;
- (ll) **“Pre-Emption Right”** means the Glenfine Owners’ right of pre-emption under section 8.3 of the Glenfine Agreement;
- (mm) **“Principal”** means:
 - (i) a director or senior officer of the Purchaser or any of its material operating subsidiaries;
 - (ii) a Person that holds securities carrying more than 20% of the voting rights attached to the Purchaser’s outstanding securities (on a partially diluted basis); or
 - (iii) a Person that holds securities carrying more than 10% of the voting rights attached to the Purchaser’s outstanding securities (on a partially diluted basis) and has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Purchaser or any of its material operating subsidiaries;
- (nn) **“Property”** means:
 - (i) if the Pre-Emption Right is waived or not exercised by the Glenfine Owners, collectively, (i) the Vendor Tenements, and (ii) the Vendor’s rights, title and interest in the Glenfine Agreement; and
 - (ii) if the Pre-Emption Right is exercised by the Glenfine Owners, the Vendor Tenements;
- (oo) **“Purchase Price”** means:
 - (i) if the Pre-Emption Right is waived or not exercised by the Glenfine Owners, \$18,000,000; and

- (ii) if the Pre-Emption Right is exercised by the Glenfine Owners, \$9,000,000; which, in either case, will be satisfied by the Consideration Shares;
- (pp) **“Purchaser”** means Skarb Exploration Corp.;
- (qq) **“Purchaser Disclosure Documents”** means, as the context requires:
 - (i) the notice of the Purchaser Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto and enclosures therewith, to be sent to the Purchaser’s shareholders in connection with the Purchaser Meeting, as amended, supplemented or otherwise modified from time to time; and
 - (ii) any business acquisition report or other report or document required to be filed by the Purchaser pursuant to applicable Laws in connection with the Transaction;
- (rr) **“Purchaser Financing”** means the private placement of Purchaser Securities to be conducted by the Purchaser for gross proceeds of not less than \$4,000,000 at a price of not less than \$0.20 per Purchaser Security;
- (ss) **“Purchaser Losses”** has the meaning set out in Section 9.1;
- (tt) **“Purchaser Material Adverse Change”** means:
 - (i) any change, effect, development, event or occurrence that, individually or in the aggregate, prevents, or would reasonably be expected to prevent the Purchaser from performing its material obligations under this Agreement in any material respect prior to the Outside Date;
 - (ii) any change, effect, development, event or occurrence that, individually or in the aggregate, is, or would reasonably be expected to be, material and adverse to the business, properties, assets, operations, condition, affairs, liabilities (contingent or otherwise), obligations (whether absolute, conditional or otherwise) or prospects of the Purchaser and its subsidiaries taken as a whole, other than any change, effect, development, event or occurrence:
 - (A) relating to the announcement of the execution of this Agreement or relating to the Transaction or other transactions contemplated by this Agreement;
 - (B) relating to a decrease in the market price of the Purchaser’s common shares on any stock exchange (it being understood that, if the cause or causes of any decrease, in and of itself or themselves, is otherwise a Purchaser Material Adverse Change, then such

decrease may be taken into consideration when determining whether a Purchaser Material Adverse Change has occurred);

- (C) relating to Canadian or global economic, financial, banking, securities or currency exchange market conditions in general;
- (D) affecting the worldwide gold mining industry in general, including any changes in the market price of gold;
- (E) relating to any effect resulting from an act of terrorism or any outbreak of hostilities or war (or any escalation or worsening thereof);
- (F) relating to any natural disaster;
- (G) relating to any pandemic;
- (H) relating to any generally applicable change in applicable Laws (other than orders, judgments or decrees against the Purchaser or a subsidiary the Purchaser) or in IFRS, in each case, to the extent necessary; or
- (I) relating to any action taken by the Purchaser at the request of the Vendor or that is required or contemplated by this Agreement;

provided, however, that the effect referred to in Sections (C) through (H) above does not primarily relate to (or have the effect of primarily relating to) the Purchaser and the Purchaser's subsidiaries, taken as a whole, or disproportionately adversely affect the Purchaser and the Purchaser's subsidiaries, taken as a whole, compared with other companies of a similar size operating in the industry and jurisdiction in which the Purchaser and the Purchaser's subsidiaries operate;

- (uu) **“Purchaser Meeting”** means the special meeting of the Purchaser's shareholders, including any adjournment or postponement thereof, to be called and held in accordance with applicable Laws to obtain the Purchaser Shareholder Approval;
- (vv) **“Purchaser Nominee”** means an Australian subsidiary of the Purchaser to be established, at the sole discretion of the Purchaser, for purposes of holding the Vendor Tenements;
- (ww) **“Purchaser Securities”** means Purchaser Shares and/or share purchase warrants issued by the Purchaser pursuant to the Purchaser Financing;
- (xx) **“Purchaser Shareholder Approval”** means the approval of the Transaction by the Purchaser's shareholders in accordance all applicable Laws and the policies of the CSE;

- (yy) **“Purchaser Shares”** means common shares in the authorized share structure of the Purchaser;
- (zz) **“Record Date”** means the record date established for the purpose of determining which Vendor Shareholders are entitled to participate in the Distribution;
- (aaa) **“Regulatory Approvals”** means those sanctions, rulings, consents, orders, exemptions, permits and other approvals (including the waiver or lapse, without objection, of a prescribed time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of a notice without an objection being made) of multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank or tribunal; subdivision, agent, commission, board, or authority of any of the foregoing; or quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; required in connection with the consummation of the Transaction;
- (bbb) **“Release”** means any release, spill, emission, discharge, leaking, pumping, dumping, escape, injection, deposit, disposal, discharge, dispersal, leaching or migration of Hazardous Substances into the indoor or outdoor environment (including, ambient air, surface water, ground water, and surface or subsurface strata) or into or out of any property, including the movement of Hazardous Substances through or in the air, soil, surface water, ground water or property;
- (ccc) **“Securities Laws”** means the securities Laws of each of the provinces and territories of Canada, the policies and regulations of the CSE, the U.S. Securities Act and the United States Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder and all other applicable state, federal and provincial securities Laws, rules, regulations and published policies thereunder, as now in effect and as they may be promulgated or amended from time to time;
- (ddd) **“Subscription Securities”** has the meaning set out in Section 8.5;
- (eee) **“Support Agreements”** means the voting and support letter agreements to be entered into concurrently with or before the execution this Agreement between the Purchaser and each of the Supporting Shareholders, in substantially the form set out in Schedule “B”, pursuant to which the Supporting Shareholders will agree to, among other things, vote in favour of the Distribution;
- (fff) **“Supporting Shareholders”** means Vendor Shareholders who own or control, directly or indirectly, approximately 19.9% of the Vendor’s issued and outstanding shares;
- (ggg) **“Transaction”** means the purchase and sale of 100% of the rights, title and interest in the Property on the terms and conditions as set out in this Agreement;
- (hhh) **“Transaction Agreements”** means this Agreement and the Support Agreements;

- (iii) “**TSX-V**” means the TSX Venture Exchange;
- (jjj) “**Vendor**” means Petratherm Ltd.;
- (kkk) “**Vendor Losses**” has the meaning set out in Section 9.2;
- (lll) “**Vendor Material Adverse Change**” means:
 - (i) any change, effect, development, event or occurrence that, individually or in the aggregate, prevents, or would reasonably be expected to prevent the Vendor from performing its material obligations under this Agreement in any material respect prior to the Outside Date;
 - (ii) any change, effect, development, event or occurrence that, individually or in the aggregate, materially and adversely affects the Property or materially and adversely reduces the value of the Property or the right of the Purchaser to the full enjoyment of the Property other than any change, effect, development, event or occurrence:
 - (A) relating to Australian or global economic, financial, banking, securities or currency exchange market conditions in general;
 - (B) affecting the worldwide gold mining industry in general, including any changes in the market price of gold;
 - (C) relating to any effect resulting from an act of terrorism or any outbreak of hostilities or war (or any escalation or worsening thereof);
 - (D) relating to any natural disaster;
 - (E) relating to any pandemic;
 - (F) relating to any generally applicable change in applicable Laws (other than orders, judgments or decrees against the Vendor) or in IFRS, in each case, to the extent necessary; or
 - (G) relating to any action taken by the Vendor at the request of the Purchaser or that is required or contemplated by this Agreement;

provided, however, that the effect referred to in Sections (A) through (F) above does not primarily relate to (or have the effect of primarily relating to) the Property or disproportionately adversely affect the Property, compared with other mining properties of a similar size operating in the industry and jurisdiction in which the Property is located;

- (mmm) “**Vendor Notice of Meeting**” means, as the context requires, the notice of the Vendor Shareholder Meeting and accompanying explanatory memorandum,

including all schedules, appendices and exhibits thereto and enclosures therewith, to be sent to the Vendor Shareholders in connection with the Vendor Shareholder Meeting, as amended, supplemented or otherwise modified from time to time;

- (nnn) “**Vendor Shareholder Approval**” means the approval of the Distribution by the Vendor Shareholders in accordance all applicable Laws and the policies of the ASX;
- (ooo) “**Vendor Shareholder Meeting**” means the special meeting of the Vendor Shareholders at which the Vendor Shareholder Approval will be sought;
- (ppp) “**Vendor Shareholders**” means the shareholders of the Vendor;
- (qqq) “**Vendor Tenements**” means the ELs and ELAs known as the Yuengroon Orogenic Gold Project, the Silver Spoon Orogenic Gold Project, and the Ballarat West Gold Project, all as more particularly set out in Schedule “A” hereto; and
- (rrr) “**U.S. Securities Act**” means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.2 Schedules

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

Schedule “A” – Description of Property

Schedule “B” – Form of Support Agreement

1.3 Interpretation Not Affected by Headings, etc.

The division of this Agreement into sections and other portions and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation hereof. Unless otherwise indicated, all references in this Agreement to a “Section” followed by a number and/or a letter refer to the specified section of this Agreement. Unless otherwise indicated, the terms “this Agreement”, “hereof”, “herein”, “hereunder” and “hereby” and similar expressions refer to this Agreement, as amended or supplemented from time to time pursuant to the applicable provisions hereof, and not to any particular section or other portion hereof.

1.4 Currency

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

1.5 Number, etc.

Unless the context otherwise requires, words importing the singular will include the plural and vice versa and words importing any gender will include all genders.

1.6 Date for Any Action

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

1.7 Entire Agreement

The Transaction Agreements constitute the entire agreement among the Parties with respect to the Transaction and supersedes all other prior agreements, understandings, negotiations and discussions, whether oral or written, among the Parties with respect thereto, including but not limited to the LOI. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the Parties with respect thereto except as expressly set forth in the Transaction Agreements.

1.8 Construction

In this Agreement, unless otherwise indicated:

- (a) the words “include”, “including” or “in particular”, when following any general term or statement, will not be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters, but rather as permitting the general term or statement to refer to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement;
- (b) a reference to a statute means that statute, as amended and in effect as of the Effective Date, and includes each and every regulation and rule made thereunder and in effect as of the date hereof; and
- (c) where a word, term or phrase is defined, its derivatives or other grammatical forms have a corresponding meaning.

1.9 Knowledge

In this Agreement, the phrase “to the knowledge of” any Person, “to the best knowledge of” any Person, “known to” any Person, “of which it is aware” or any similar phrase means, unless otherwise indicated, (a) with respect to any Person who is an individual, the actual knowledge of such Person, and (b) with respect to any Person who is not an individual, the actual knowledge of the senior officers and directors of such Person and its affiliates after reasonable enquiry, and to the extent that such reasonable enquiry was not conducted, includes the knowledge that a reasonable Person would have had if such reasonable enquiry had been conducted.

1.10 Adjustments

In the event of an extraordinary change in capitalization affecting the Purchaser Shares, such as a subdivision, consolidation or reclassification of the Purchaser, or other relevant changes in share capital, including any adjustment arising from a merger, acquisition or plan of arrangement, such proportionate adjustments, if any, appropriate to reflect such change shall be made by the Purchaser with respect to the number of Purchaser Shares to be issued to the Vendor.

ARTICLE 2 TRANSACTION

2.1 Purchase and Sale

- (a) Relying on the warranties and representations set forth in this Agreement, and subject to its terms and conditions (including satisfaction or waiver of the conditions to closing set out in Article 7), on and effective as at the Closing Date, the Purchaser will purchase from the Vendor and the Vendor will sell, transfer and assign to the Purchaser, 100% of the right, title and interest in the Property, free and clear of any Encumbrances for an amount equal to the Purchase Price which satisfied on the Closing Date by the issuance to the Vendor of the Consideration Shares.
- (b) For greater certainty, the Vendor acknowledges that the Consideration Shares and, if Section 8.5 applies, the Subscription Securities will be issued pursuant to available prospectus exemptions in applicable Securities Laws and will be subject to a four month statutory hold period.
- (c) The Purchaser will be liable for and pay all registration charges and duty properly payable upon and in connection with the sale and transfer of the Property by the Vendor to the Purchaser, provided that in no event will the Purchaser be liable for or pay, but instead the Vendor will be liable for and pay, any taxes, registration charges, duty or transfer fees which the Vendor failed to pay or was exempted from paying prior to the Closing Date.

ARTICLE 3 DISTRIBUTION

3.1 Distribution

The Vendor will use best efforts to complete the Distribution prior to the Distribution Deadline, and without limiting the generality of the foregoing, the Vendor will:

- (a) prepare and make available to the Vendor Shareholders the Vendor Notice of Meeting for the Vendor Shareholder Meeting within 30 days of the Effective Date;
- (b) call and hold the Vendor Shareholder Meeting within 60 days of the Effective Date; and

- (c) obtain the Vendor Shareholder Approval on or before the Closing Date.

3.2 Declaration of Trust

The Vendor acknowledges, declares and agrees that:

- (a) on the Closing Date, it will be the registered owner of a 100% interest in the Consideration Shares and, if Section 8.5 applies, the Subscription Securities;
- (b) during the Distribution Wait Period, it will hold a 100% beneficial interest in the Consideration Shares and, if Section 8.5 applies, the Subscription Securities which are Purchaser Shares (the “**Beneficial Interest**”) in trust for the Vendor Shareholders as of the Record Date; and
- (c) it holds the Beneficial Interest as a bare trustee for the Vendor Shareholders as of the Record Date.

3.3 No Rights as Shareholder

During the Distribution Wait Period, the Vendor will not have any rights as a shareholder with respect to the Consideration Shares and, if Section 8.5 applies, the Subscription Securities. Without limiting the generality of the foregoing:

- (a) the Vendor will not have any right to receive notice of, attend or vote at a meeting of shareholders of the Purchaser;
- (b) the Vendor will not have any right to receive any dividends declared by the board of directors of the Purchaser in its discretion; and
- (c) the Vendor will not be entitled to participate in any distribution of the property or assets of the Purchaser.

ARTICLE 4 EXCLUSIVITY

4.1 Exclusivity

- (a) The Vendor will, and will cause its Agents to:
 - (i) immediately cease and cause to be terminated any solicitation, encouragement, activity, discussion or negotiation with any party that may be ongoing with respect to an Alternative Proposal, whether or not initiated by the Vendor or any of its Agents;
 - (ii) to the fullest extent permitted under any agreement with any third party, forthwith request the return or destruction of any non-public information concerning the Property provided to such party or any summary, extract or derivation thereof; and

- (iii) terminate or deny access to any third party to any data room, database, files, documents or records of any kind containing non-public information concerning the Property.
- (b) The Vendor will not, and will cause its Agents not to, directly or indirectly:
- (i) invite, make, solicit, assist, initiate, entertain, encourage, promote or facilitate, (including by way of furnishing or providing access to non-public information, permitting any visit to the Property or entering into any form of written or oral agreement, arrangement or understanding) any inquiries or the making of any proposals regarding an Alternative Proposal or that may be reasonably be expected to lead to a potential Alternative Proposal;
 - (ii) participate, directly or indirectly, in any discussions or negotiations regarding, or furnish to or provide any Person with access to any information or otherwise co-operate with, respond to, assist or participate in any Alternative Proposal or potential Alternative Proposal;
 - (iii) endorse, support, agree to, approve or recommend or publicly propose to agree to, approve or recommend any Alternative Proposal or potential Alternative Proposal;
 - (iv) withdraw, modify, qualify or change in a manner adverse to the Purchaser, or publicly propose to or publicly state that it intends or is considering withdrawing, modifying, qualifying or changing in a manner adverse to the Purchaser the approval, recommendation or declaration of advisability of its Board of Directors or any committee thereof of this Agreement or the Transaction or the Distribution (a “**Change in Recommendation**”) (it being understood that failing to affirm the approval or recommendation of its Board of Directors of the Transaction or the Distribution within five Business Days after an Alternative Proposal has been publicly announced and, in circumstances where no Alternative Proposal has been made, within five Business Days of being requested to do so by the Purchaser, will be considered a Change in Recommendation);
 - (v) release any Person from or waive, or otherwise forbear the enforcement of any confidentiality or standstill agreement with any Person;
 - (vi) accept, enter into, or propose to accept or enter into, any agreement, arrangement or understanding related to any Alternative Proposal or potential Alternative Proposal or contemplating or requiring the Vendor to abandon, terminate or fail to consummate the Transaction or providing for the payment by the Vendor of any break, termination or other fees or expenses to any Person in the event that the Transaction is completed or any other transaction agreed to prior to the termination of this Agreement;
or

- (vii) make any public announcement or take any other action inconsistent with, or that would reasonably be likely to be regarded as detracting from, the recommendation of its Board of Directors to approve the Transaction or the Distribution.
- (c) From and after the Effective Date, the Vendor will promptly (and in any event within 24 hours) notify the Purchaser, at first orally and as soon as possible thereafter in writing, of any proposals, offers or inquiries relating to or constituting an Alternative Proposal, any discussions or negotiations relating to, or which the Vendor reasonably believes could lead to, an Alternative Proposal, or any request for non-public information relating to the Property. Such notice will include a description of the terms and conditions of any proposal, inquiry or offer, the identity of the Person and any party acting in concert with such Person making such proposal, inquiry or offer, copies of any proposed agreements, letters of intent, term sheets or summaries thereof and to the extent available to the Vendor, copies of any lock-up, support or similar agreements proposed to be entered into in connection with any such Alternative Proposal and provide such other details of the proposal, inquiry or offer as the Purchaser may reasonably request. The Vendor will keep the Purchaser fully informed on a prompt basis of the status, including any change to the material terms, of any such inquiry, proposal or offer and will respond promptly to all inquiries by the Purchaser with respect thereto.
- (d) The Vendor will ensure that its Agents and any financial advisors or other advisors or representatives retained by it are aware of the provisions of this Section 4.1, and it will be responsible for any breach of this Section 4.1 by such Agents, financial advisors or other advisors or representatives.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

5.1 Vendor's Representations and Warranties

To induce the Purchaser to enter into and complete the Transaction, and acknowledging and agreeing that the Purchaser has entered into this Agreement relying on the warranties and representations and other terms and conditions of this Agreement, the Vendor hereby represents and warrants, as representations and warranties that are true and correct as at the Effective Date and will be true and correct on the Closing Date that:

- (a) the Vendor:
 - (i) is a company duly organized, validly existing and in good standing under the Corporations Act; and
 - (ii) subject to receipt of Regulatory Approvals, it has the full power, authority, right and capacity to dispose of the Property and, subject to receipt of the Vendor Shareholder Approval, to complete the Distribution, to execute

and deliver this Agreement, to complete the Transaction and to duly observe and perform all of its covenants and obligations herein set forth;

- (b) the Transaction Agreements have been duly and validly executed and delivered by it and constitute legal, valid and binding obligations of the Vendor, duly enforceable against the Vendor in accordance with their terms;
- (c) neither the execution nor the delivery of the Transaction Agreements, or the other agreements and instruments contemplated hereby or thereby, nor the completion of the Transaction will:
 - (i) constitute or result in the breach of or default under any terms, provisions or conditions of, or conflict with, violate or cause any, or give to any Person, any right of, after the giving of a notice or lapse of time or otherwise, acceleration, termination or cancellation in or with respect to any of the following:
 - (A) any of its constating documents or any resolution of its directors or the Vendor Shareholders;
 - (B) any applicable Law; and
 - (C) any agreement, or other instrument or commitment to which it is a party or is subject, or
 - (ii) result in the creation of any Encumbrance on the Property;
- (d) no consent, approval, order, registration, notice, declaration or filing with, any Governmental Entity or other Person is required to be obtained by the Vendor in connection with the execution and delivery of the Transaction Agreements or any of the other documents contemplated hereby, or the consummation by the Vendor of the transactions contemplated hereby or thereby, other than:
 - (i) the written consent of the Glenfine Owners pursuant to the Glenfine Agreement;
 - (ii) the consent of the Minister pursuant to the Mining Act for the transfer of the granted Vendor Tenements; and
 - (iii) the Vendor Shareholder Approval;
- (e) no Vendor Shareholder will become a Principal following completion of the Distribution;
- (f) it is the sole legal and beneficial owner of all right, title and interest to the Property, free and clear of any Encumbrances and no other Person holds any rights to undertake any activities on the Properties or to access the Vendor Tenements or the Glenfine Tenements;

- (g) it has the sole right to earn and acquire a legal and beneficial interest in the Glenfine Tenements pursuant to the Glenfine Agreement;
- (h) Schedule "A" to this Agreement contains a complete and accurate list of all of the tenements comprising the Property;
- (i) the tenements constituting the Property have been properly located and recorded in compliance with applicable Law and are valid and subsisting;
- (j) no Person has any agreement or option or any right or privilege capable of becoming an agreement or option for the purchase of the Property or any portion thereof or interest therein from the Vendor, other than pursuant to the transactions contemplated in this Agreement;
- (k) the Property is in good standing, full force and effect and is valid and enforceable in accordance with its terms under the Mining Act, is in compliance with applicable Law and all work required to be performed and filed in respect thereof has been performed and filed, all taxes, royalties, rentals, fees, expenditures and other payments in respect thereof have been paid or incurred and all filings in respect thereof have been made;
- (l) the Glenfine Agreement is in full force and effect and is valid and enforceable in accordance with its terms against all of the parties to it. The Vendor is not in default or breach of its obligations under the Glenfine Agreement, and no event has occurred and no condition or state of facts exists that, with the passage of time or the giving of notice or both, would constitute such a default or breach by the Vendor or, to its knowledge, any other party thereto. The Vendor does not intend, and has not received a notice that any party to the Glenfine Agreement intends, to terminate, amend, not renew or cancel the Glenfine Agreement;
- (m) it has not elected or refused to participate in any exploration, development or other operations with respect to the Property which has or may give rise to any penalties, forfeitures or reduction of its interest by virtue of any conversion or other alteration occurring under the title and operating documents which govern the Property;
- (n) there is no material adverse claim against or challenge to the title to or ownership of the Property and the Vendor is not aware of any defects, failures or impairments in the title of the Vendor to the Property whether or not an action, suit, proceeding or inquiry is pending or threatened and whether or not discovered by any third party;
- (o) there is no claim, litigation, arbitration or administrative proceeding (whether or not purportedly on behalf of the Vendor) in progress, pending or, to the best of the Vendor's knowledge, threatened against or otherwise affecting the Vendor relating to the Property at law or in equity and there is no judgment, decree, injunction, ruling, order or award of any tribunal outstanding against or affecting the Vendor relating to the Property;

- (p) the Vendor has full and unfettered access to the Property (subject to the terms of the Glenfine Agreement and the grant of any of the Vendor Tenements that are ELAs);
- (q) the Vendor has not received any notice, whether written or oral, from any Governmental Entity of any revocation or intention to revoke any interest of the Vendor in the Property and is not aware of and has not received any information which could imply that the Purchaser will not be permitted to conduct activities in respect to the Property (including under the Glenfine Agreement);
- (r) the Vendor has provided the Purchaser with access to full and complete copies of the Mining Information and the Vendor has the sole right, title and ownership of all the Mining Information;
- (s) the operation of the Property and the use, maintenance and operation thereof has been and are in compliance with all Environmental Laws. The Vendor has complied with all reporting and monitoring requirements under all Environmental Laws with respect to the Property. The Vendor has not received any notice of any non-compliance with any Environmental Laws relating to the Property and the Vendor has not been convicted of an offence of non-compliance with any Environmental Laws relating to the Property;
- (t) all environmental liabilities in respect of the tenements that comprise the Property have been clearly and fairly disclosed to the Purchaser, and the Vendor is in compliance with all material environmental and current obligations binding on it and the Vendor is not aware of any notification under any Environmental Law requiring the Vendor to take or omit to take any action in respect of the Property;
- (u) there are no past or present (or, to the best of the Vendor's knowledge, future) events, conditions, circumstances, activities, practices, incidents, actions or plans associated with the Property which may interfere with or prevent compliance or continued compliance by the Purchaser with Environmental Laws as in effect on the date hereof or which may give rise to any liability of the Purchaser under Environmental Laws associated with the Property;
- (v) except in respect to ELA 6951, EL 6897, ELA 7280 and ELA 7276, there are no Native Title Claims which have been made or, to the knowledge of the Vendor, threatened with respect to the Property or any authorization issued by any Governmental Entity in respect of, or otherwise related to the Property;
- (w) except in respect to ELA 6951, EL 6897, ELA 7280 and ELA 7276, no other Person, including Persons representing or purporting to represent a Native Title Group, and no Native Title Group, has asserted any right or interest of any kind whatsoever, relating to the Property;
- (x) no material dispute between the Vendor and any non-governmental organization, community, community group, civil organization or Native Title Group exists or, to the best of the Vendor's knowledge, is threatened or imminent with respect to

the Property. The Vendor has provided the Purchaser with full and complete access to all material correspondence received by the Vendor from any non-governmental organization, community, community group, civil organization or Native Title Group in respect of the Property;

- (y) there are no material contracts, agreements or understandings with any party relating to the Property which have not been disclosed to the Purchaser in writing prior to the Effective Date and no other Person holds any rights to undertake any activities on the Property or to access any of the tenements that comprise the Property;
- (z) no act or proceeding has been taken by or against it in connection with its dissolution, liquidation, winding up, bankruptcy or reorganization or for the appointment of a trustee, receiver, manager or other administrator of the Vendor or any of its properties or assets nor, to its knowledge, is any such act or proceeding threatened. It has not sought protection under the Corporations Act or similar legislation; and
- (aa) all information concerning the Property that might reasonably be regarded as material to a purchaser for value of the Property has been disclosed to the Purchaser and such information, including any Mining Information, is true and accurate in all material respects and is not misleading.

5.2 Purchaser's Representations and Warranties

To induce the Vendor to enter into and complete the Transaction, and acknowledging and agreeing that the Vendor has entered into this Agreement relying on the warranties and representations and other terms and conditions of this Agreement, the Purchaser hereby represents and warrants, as representations and warranties that are true and correct as at the Effective Date and will be true and correct on the Closing Date that:

- (a) the Purchaser:
 - (i) is a company duly organized, validly existing and in good standing under the laws of the Province of British Columbia; and
 - (ii) has the full power, authority, right to carry on its business as now being conducted by it, to execute and deliver the Transaction Agreements and, subject to receipt of the Purchaser Shareholder Approval, to complete the Transaction and to duly observe and perform all of its covenants and obligations herein set forth;
- (b) the Transaction Agreements have been duly and validly executed and delivered by the Purchaser and constitute legal, valid and binding obligations of the Purchaser, enforceable against the Purchaser;
- (c) neither the execution nor the delivery of the Transaction Agreements, or the other agreements and instruments contemplated hereby or thereby, nor the completion

of the Transaction will constitute or result in the breach of or default under any terms, provisions or conditions of, or conflict with, violate or cause any, or give to any Person, any right of, after the giving of a notice or lapse of time or otherwise, acceleration, termination or cancellation in or with respect to any of the following:

- (i) any constating documents of the Purchaser or any resolution of directors or shareholders of the Purchaser;
 - (ii) any agreement, or other instrument or commitment to which the Purchaser is a party or is subject; or
 - (iii) any applicable Law;
- (d) no consent, approval, order, registration, notice, declaration or filing with, any Governmental Entity or other Person is required to be obtained by the Purchaser in connection with the execution and delivery of the Transaction Agreements or any of the other documents contemplated hereby, or the consummation by the Purchaser of the transactions contemplated hereby or thereby, other than:
- (i) the Purchaser Shareholder Approval; and
 - (ii) the CSE Approval;
- (e) the authorized capital of the Purchaser consists of an unlimited number of Purchaser Shares of which, as of the date hereof, 17,651,500 Purchaser Shares and options to acquire an additional 1,745,000 Purchaser Shares are issued and outstanding;
- (f) the Consideration Shares and, if Section 8.5 applies, the Subscription Securities to be issued pursuant to this Agreement will, when issued and delivered, be duly and validly issued by the Purchaser on the date of their issue as fully paid and non-assessable shares and will not be issued in violation of the terms of any agreement or other understanding binding upon the Purchaser at the time that such shares are issued and will be issued in compliance with the constating documents of the Purchaser and all applicable Laws, will be listed on the CSE and, following expiry of the four month statutory hold period referred to in Section 2.1(b), will be freely tradeable without restriction;
- (g) the Purchaser is a reporting issuer in the Provinces of British Columbia and Ontario, and is not on the list of reporting issuers in default under applicable Securities Laws;
- (h) the Purchaser Shares are listed and posted for trading on the CSE under the trading symbol "SKRB";
- (i) the Purchaser is in compliance in all material respects with the rules and policies of the CSE;

- (j) the Purchaser is not subject to any cease trade or other order of any Governmental Entity, and, to the knowledge of the Purchaser, no inquiry, review or investigation (formal or informal) or other proceedings involving the Purchaser that may operate to prevent or restrict trading of any securities of the Purchaser are currently in progress or pending before any Governmental Entity; and
- (k) no act or proceeding has been taken by or against the Purchaser in connection with the dissolution, liquidation, winding up, bankruptcy or reorganization of the Purchaser or for the appointment of a trustee, receiver, manager or other administrator of the Purchaser or any of its respective properties or assets nor, to the knowledge of the Purchaser, is any such act or proceeding threatened. The Purchaser has not sought protection under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation.

5.3 Survival of Representations and Warranties

The representations and warranties of the Vendor and the Purchaser contained in Sections 5.1 and 5.2 of this Agreement respectively will survive the execution and delivery of this Agreement and will continue in full force and effect until the date which is 24 months from the Closing Date. If notice for any claim for indemnity hereunder in respect of any breach of the representations and warranties contained in this Agreement has not been made hereunder prior to expiry of the applicable survival period specified in this Section 5.3, the Vendor or the Purchaser (as the case may be) will have no further liability hereunder with respect to any such representation or warranty.

ARTICLE 6 COVENANTS

6.1 Covenants of the Vendor

The Vendor covenants and agrees with the Purchaser that from the date hereof to the earlier of: (a) the Closing Date; and (b) the date of termination of this Agreement, as applicable, it will:

- (a) maintain its interest in the Property in good standing under applicable Laws (including the Mining Act), perform all work required to be performed under the Mining Act and applicable Laws, pay all taxes, royalties, rentals, fees, expenditures and other payments required to be paid in respect thereof and make any necessary tax, governmental and other filings and payments and perform such other related and applicable obligations in respect of the Property in a timely fashion;
- (b) take reasonable care to protect and safeguard the Property;
- (c) continue to comply with and perform all obligations it has in respect to the Glenfine Agreement;

- (d) use its commercially reasonable efforts to obtain the Glenfine Assignment Agreement within 30 days of the Effective Date, or as soon as practicable if it is not obtained by such date;
- (e) agree as to the form of the Disposal Notice with the Purchaser as soon as practicable following the Effective Date and prior to sending the Disposal Notice to the Glenfine Owners;
- (f) when directed to do so by the Purchaser, promptly deliver the Disposal Notice to the Glenfine Owners in accordance with the requirements of the Glenfine Agreement and, if completion of the Transaction has not occurred prior to the expiration of the 45 Business Day period referred to in Section 8.3 of the Glenfine Agreement, the Vendor must promptly re-deliver the Disposal Notice to the Glenfine Owners in accordance with the requirements of the Glenfine Agreement;
- (g) not sell or dispose of or transfer possession of all or any portion of the Property, or any interest therein;
- (h) not grant or permit to exist any Encumbrances on its rights to the Property;
- (i) promptly advise the Purchaser orally and, if then requested, in writing, with the full particulars of any:
 - (i) event occurring subsequent to the Effective Date that would render any representation or warranty of the Vendor contained in this Agreement (except any such representation or warranty which speaks as of a date prior to the Effective Date), if made on or as of the date of such event or the Closing Date, untrue or inaccurate in any material respect;
 - (ii) any Vendor Material Adverse Change; and
 - (iii) breach by the Vendor of any covenant or agreement contained in this Agreement;
- (j) perform all obligations required or desirable to be performed by it under this Agreement and will do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in this Agreement and without limiting the generality of the foregoing, the Vendor will:
 - (i) use commercially reasonable efforts to obtain, on or before the Closing Date, all Regulatory Approvals required by Governmental Entities for the Vendor;
 - (ii) defend all lawsuits or other legal, regulatory or other proceedings challenging or affecting this Agreement or the consummation of the transactions contemplated hereby; and

- (iii) use commercially reasonable efforts to have lifted or rescinded any injunction or restraining order or other order relating to it which may adversely affect the ability of the Parties to consummate the transactions contemplated hereby;
- (k) use all commercially reasonable efforts to satisfy all conditions precedent set forth in Section 7.1 and Section 7.3 of this Agreement within 60 days of the Effective Date;
- (l) provide the Purchaser and its affiliates and Agents (as applicable) with:
 - (i) access to the Property, the Mining Information and any other information that a potential purchaser of the Purchaser might consider relevant to that purchase;
 - (ii) access to (including making copies) to such other information, assets, metallurgical samples, records, correspondence and contracts relating to the Property that the Purchaser may reasonably require in order to conduct its due diligence;
 - (iii) reasonable assistance to access all information in relation to the Property held by the relevant Governmental Entities; and
- (m) in a timely and expeditious manner, furnish the Purchaser with all such information (including but not limited to financial information) regarding the Property as may be required to be included in the Purchaser Disclosure Documents pursuant to applicable Laws. The Vendor will provide to the Purchaser a certificate of the Vendor, signed by a director or officer of the Vendor, certifying that the information relating to the Property contained in the Purchaser Disclosure Documents do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made.

For the avoidance of doubt, nothing in this Section 6.1 prevents the Vendor from raising capital at any time before or after the Closing Date.

6.2 Covenants of the Purchaser

The Purchaser covenants and agrees with the Vendor that from the date hereof to the earlier of: (a) the Closing Date; and (b) the date of termination of this Agreement, as applicable, it will:

- (a) promptly advise the Vendor orally and, if then requested, in writing, with the full particulars of any:
 - (i) event occurring subsequent to the Effective Date that would render any representation or warranty of the Purchaser contained in this Agreement (except any such representation or warranty which speaks as of a date

prior to the Effective Date), if made on or as of the date of such event or the Closing Date, untrue or inaccurate in any material respect;

- (ii) any Purchaser Material Adverse Change; and
 - (iii) breach by the Purchaser of any covenant or agreement contained in this Agreement;
- (b) perform all obligations required or desirable to be performed by it under this Agreement and will do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in this Agreement and without limiting the generality of the foregoing, the Purchaser will:
- (i) use commercially reasonable efforts to obtain, on or before the Closing Date, all Regulatory Approvals required by Governmental Entities for the Purchaser;
 - (ii) defend all lawsuits or other legal, regulatory or other proceedings challenging or affecting this Agreement or the consummation of the transactions contemplated hereby; and
 - (iii) use commercially reasonable efforts to have lifted or rescinded any injunction or restraining order or other order relating to it which may adversely affect the ability of the Parties to consummate the transactions contemplated hereby;
- (c) use commercially reasonable efforts to satisfy all conditions precedent set forth in Section 7.1 and Section 7.2 of this Agreement within 60 days of the Effective Date;
- (d) in a timely and expeditious manner, furnish the Vendor with all such information (including but not limited to financial information) regarding the Purchaser as may be required to be included in the Vendor Notice of Meeting pursuant to applicable Laws. The Purchaser will provide to the Vendor a certificate of the Purchaser, signed by a director or officer of the Purchaser, certifying that the information relating to the Purchaser contained in the Vendor Notice of Meeting does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made.

6.3 Recording of Agreement

The Purchaser and the Vendor will execute and deliver such additional documentation as legal counsel for the Purchaser determines is necessary in order to duly register and record in the appropriate registration and recording office notice that the Vendor's interest in the Property is subject to and bound by the terms of this Agreement.

6.4 TSX-V Listing Application

The Purchaser will use commercially reasonable efforts to list its common shares on the TSX-V following closing of the Transaction. Any such listing will be subject to the Purchaser fulfilling all of the listing requirements of the TSX-V.

ARTICLE 7 CONDITIONS

7.1 Mutual Conditions Precedent

The respective obligations of the Parties to complete the Transaction will be subject to the satisfaction, on or before the Closing Date, of the following conditions precedent, each of which may only be waived by the mutual consent of the Parties:

- (a) there will not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement and there will be no proceeding, of a judicial or administrative nature or otherwise, in progress or threatened that relates to or results from the transactions contemplated by this Agreement that would, if successful, result in an order or ruling that would preclude completion of the transactions contemplated by this Agreement in accordance with the terms hereof or would otherwise be inconsistent with the Regulatory Approvals which have been obtained;
- (b) this Agreement will not have been terminated pursuant to Section 10.2;
- (c) the Vendor will have received the Vendor Shareholder Approval and all other approvals required by it in connection with the Transaction under Australian and/or Canadian law;
- (d) the Purchaser will have received the CSE Approval and the Purchaser Shareholder Approval;
- (e) the Purchaser Financing will have been completed;
- (f) the Consideration Shares and, if Section 8.5 applies, the Subscription Securities will have been authorized for listing on the CSE, subject to official notice of issuance;
- (g) if the Pre-Emption Right is waived or not exercised by the Glenfine Owners, the Glenfine Owners will have delivered to the Vendor an executed copy of the Glenfine Assignment Agreement, and the Glenfine Assignment Agreement must remain valid and binding on the parties in relation to the Transaction;
- (h) if the Pre-Emption Right is waived or not exercised by the Glenfine Owners, such waiver or failure to exercise must remain valid and binding on the parties in relation to the Transaction (in particular in relation to the Transaction completing

within the 45 Business Day period referred to in clause 8.3 of the Glenfine Agreement); and

- (i) all other consents, waivers, permits, orders and approvals of any Governmental Entity, and the expiry of any waiting periods, in connection with, or required to permit the consummation of the Transaction herein will have been obtained.

7.2 Purchaser's Conditions Precedent

The obligations of the Purchaser to complete the transactions contemplated by this Agreement will also be subject to the satisfaction, on or before the Closing Date, of each of the following conditions precedent (each of which is for the exclusive benefit of the Purchaser and may be waived by the Purchaser):

- (a) all covenants and agreements of the Vendor under this Agreement to be performed or observed on or before the Closing Date will have been duly performed and observed by the Vendor in all material respects and the Purchaser will have received a certificate of the Vendor addressed to the Purchaser and dated the Closing Date, signed on behalf of the Vendor by two directors or senior executive officers of the Vendor, confirming the same as at the Closing Date;
- (b) the representations and warranties of the Vendor set forth in this Agreement will be true and correct in all material respects as of the Effective Date and as of the Closing Date as if made on and as of such date (except to the extent such representations and warranties speak as of a specified date which is earlier than the Effective Date, in which event such representations and warranties will be true and correct in all respects as of such earlier specified date, or except as affected by transactions contemplated or permitted by this Agreement or otherwise consented to by the Purchaser) and the Purchaser will have received a certificate of the Vendor addressed to the Purchaser and dated the Closing Date, signed on behalf of the Vendor by two directors or senior executive officers of the Vendor, confirming the same as at the Closing Date;
- (c) during the Interim Period, there will not have occurred, in the judgment of the Purchaser, acting reasonably, a Vendor Material Adverse Change;
- (d) the Purchaser will have completed, and will be satisfied with, in its sole discretion, its due diligence review of the Property, provided, however, that Purchaser will have completed its due diligence review no later than 15 days after the Effective Date. In connection therewith, the Purchaser will have access to such information, books, records, facilities, personnel and certain clients of the Vendor may reasonably request;
- (e) the Vendor will have lodged an application for the Minister to consent to the transfer of EL 6897 to the Purchaser in accordance with the Mining Act, and will not have received any notice that such consent has not been, or will not be, granted;

- (f) the Support Agreements will have been duly executed by the Vendor and the Supporting Shareholders;
- (g) there will not be pending or threatened any suit, action or proceeding by any Governmental Entity, in each case that has a reasonable likelihood of success:
 - (i) seeking to restrain or prohibit the consummation of the Transaction;
 - (ii) seeking to prohibit or materially limit the ownership or operation by the Purchaser of any material portion of the Property; or
 - (iii) seeking to impose limitations on the ability of the Purchaser to acquire or hold or exercise full rights of ownership of the Property.

The Purchaser may not rely on the failure to satisfy any of the above conditions precedent as a basis for non-compliance by it with its obligations under this Agreement if the condition precedent would have been satisfied but for a material default by the Purchaser in complying with its obligations hereunder.

7.3 Vendor's Conditions Precedent

The obligations of the Vendor to complete the transactions contemplated by this Agreement will also be subject to the satisfaction, on or before the Closing Date, of each of the following conditions precedent (each of which is for the exclusive benefit of the Vendor and may be waived by the Vendor):

- (a) all covenants and agreements of the Purchaser under this Agreement to be performed or observed on or before the Closing Date will have been duly performed by the Purchaser in all material respects and the Vendor will have received a certificate of the Purchaser addressed to the Vendor and dated the Closing Date, signed on behalf of the Purchaser by two senior executive officers of the Purchaser confirming the same as at the Closing Date;
- (b) the representations and warranties of the Purchaser set forth in this Agreement will be true and correct in all material respects as of the Effective Date and as of the Closing Date as if made on and as of such date (except to the extent such representations and warranties speak as of a specified date which is earlier than the Effective Date, in which event such representations and warranties will be true and correct in all material respects as of such earlier specified date, or except as affected by transactions contemplated or permitted by this Agreement or otherwise consented to by the Vendor) and the Vendor will have received a certificate of the Purchaser addressed to the Vendor and dated the Closing Date, signed on behalf of the Purchaser by two senior executive officers of the Purchaser confirming the same as at the Closing Date;
- (c) during the Interim Period, there will not have occurred, in the judgment of the Vendor, acting reasonably, a Purchaser Material Adverse Change;

- (d) the Vendor will have completed, and will be satisfied with, in its sole discretion, its due diligence review of the business and assets of the Purchaser, provided, however, that Vendor will have completed its due diligence review no later than 15 days after the Effective Date. In connection therewith, the Vendor will have access to such information, books, records, facilities, personnel and certain clients of the Vendor may reasonably request;
- (e) the board of directors of the Purchaser will have adopted all necessary resolutions, and all other necessary corporate action will have been taken by the Purchaser to permit the consummation of the Transaction and the issue of the Consideration Shares and, if Section 8.5 applies, the Subscription Securities; and
- (f) there will not be pending or threatened any suit, action or proceeding by any Governmental Entity, in each case that has a reasonable likelihood of success seeking to restrain or prohibit the consummation of the Transaction.

The Vendor may not rely on the failure to satisfy any of the above conditions precedent as a basis for non-compliance by the Vendor with its obligations under this Agreement if the condition precedent would have been satisfied but for a material default by the Vendor in complying with its obligations hereunder.

7.4 Notice and Cure Provisions

Each Party will give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof until the Closing Date, of any event or state of facts which occurrence or failure would, or would be reasonably likely to:

- (a) cause any of the representations or warranties of such Party contained herein to be untrue or inaccurate in any material respect during the Interim Period;
- (b) result in the failure to comply with or satisfy any covenant or agreement to be complied with or satisfied by such Party hereunder prior to the Closing Date; or
- (c) result in the failure to satisfy any of the conditions precedent in favour of the other Party hereto contained in Sections 7.1, 7.2 or 7.3 as the case may be.

Subject as herein provided, a Party may elect not to complete the transactions contemplated hereby pursuant to the conditions precedent contained in Sections 7.1, 7.2 or 7.3 in favour of such Party, or exercise any termination right arising therefrom, if forthwith, and in any event prior to the Closing Date, such Party has delivered a written notice to the other specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Party delivering such notice is asserting as the basis for the non-fulfillment of the applicable condition precedent or the exercise of the termination right, as the case may be. If any such notice is delivered and the Party receiving such notice is proceeding diligently to cure such matter, if such matter is susceptible to being cured, the Party delivering such notice may not terminate this Agreement until the earlier of the Outside Date and the expiration of a period of ten Business Days from such notice.

ARTICLE 8 DELIVERIES AT CLOSING

8.1 Vendor's Deliveries

On the Closing Date, the Vendor will deliver or cause to be delivered to the Purchaser:

- (a) all deeds of conveyance, bills of sale, transfers and assignments, duly executed, in form and content satisfactory to the Purchaser, appropriate to effectively vest good and marketable title to the Property in the Purchaser or the Purchaser Nominee (including fully signed, but undated, transfer forms in respect of the Vendor Tenements) to the extent contemplated by this Agreement, and immediately registrable in all places where registration of such instruments is necessary or desirable;
- (b) full and complete copies of all Mining Information;
- (c) the Support Agreements, duly executed by the Vendor and the Supporting Shareholders;
- (d) if the Pre-Emption Right is waived or not exercised by the Glenfine Owners, the Glenfine Assignment Agreement, duly executed by the Vendor and the Glenfine Owners;
- (e) if the Pre-Emption Right is waived by the Glenfine Owners, a duly executed copy of such waiver;
- (f) if the Pre-Emption Right is exercised by the Glenfine Owners, a certified cheque or bank draft in an amount equal to 10% of the value of the gross proceeds received or payable to the Vendor in connection with the exercise of the Pre-Emption Right; and
- (g) the originally executed certificates referred to in Sections 7.2(a) and 7.2(b).

8.2 Purchaser's Deliveries

On the Closing Date, the Purchaser will deliver or cause to be delivered to the Vendor:

- (a) a share certificate representing the Consideration Shares, registered as directed by the Vendor; and
- (b) the originally executed certificates referred to in Sections 7.3(a) and 7.3(b).

8.3 Vendor Tenements on Trust

- (a) The Parties acknowledge that the transfer of EL 6897 remains subject to Ministerial consent and the remainder of the Vendor Tenements are in application and have not yet been granted pursuant to the Mining Act and therefore not all of

the Vendor Tenements may be legally transferred to the Purchaser or the Purchaser Nominee on the Closing Date.

- (b) With effect on and from the Closing Date, the Vendor, as the registered holder or applicant (as the case may be) of Vendor Tenements will:
- (i) hold the Vendor Tenements on trust for the Purchaser;
 - (ii) upon the first year anniversary of the grant of the Vendor Tenements (or sooner if permitted under applicable Laws), immediately do all such things and provide such assistance as the Purchaser requires to complete the legal transfer of the Vendor Tenements, including applying for the consent of the Minister to transfer the Vendor Tenements to the Purchaser or the Purchaser Nominee (at the cost of the Vendor);
 - (iii) upon obtaining the consent referred to in Section 8.3(b)(ii), do all such things reasonably necessary to enable the Purchaser or the Purchaser Nominee to be registered as the holder of the Vendor Tenements, at the cost of the Vendor;
 - (iv) immediately provide the Purchaser with all correspondence received by the Vendor in relation to the Vendor Tenements, as and when it becomes available;
 - (v) not create or permit the creation any Encumbrance on the Vendor Tenements;
 - (vi) not deal with or agree to deal with the Vendor Tenements other than with the prior written consent of the Purchaser; and
 - (vii) not do, or omit to do, anything that may result in the forfeiture or cancellation of the Vendor Tenements.

8.4 Interim License

- (i) With effect on and from the Closing Date until each Vendor Tenement is registered in the name of the Purchaser or the Purchaser Nominee (the “**Transfer Completion Date**”), the Vendor grants to the Purchaser and the Purchaser Nominee an exclusive license (the “**Interim License**”) and right to conduct exploration on each Vendor Tenements to the extent such activities can be lawfully undertaken.
- (ii) Pursuant to the Interim License, the Vendor agrees and acknowledges that the Purchaser and the Purchaser Nominee:
 - (A) will have unrestricted access to the Vendor Tenements and may exercise all or any of the rights of the legal and beneficial owner of the Vendor Tenements; and

- (B) may make all decisions relating to the Vendor Tenements, including but not limited to all exploration, expenditure, operations and activities pertaining to the Vendor Tenements.
- (iii) Until the Transfer Completion Date, the Vendor must take all reasonable actions and do all such things to provide reasonable assistance to the Purchaser and the Purchaser Nominee to exercise its rights and comply with its obligations under this Section 8.4.

8.5 Subscription for Purchaser Securities

If the Pre-Emption Right is exercised by the Glenfine Owners, the Vendor will subscribe for 20,000,000 Purchaser Securities (the “**Subscription Securities**”) on the same terms as the Purchaser Financing (subject to compliance with Securities Laws and the policies of the CSE).

For the avoidance of doubt, the Parties agree that any Subscription Securities will be issued by the Purchaser to the Vendor for monetary consideration and not as consideration for the Purchaser’s purchase of the Property or any part of the Property.

ARTICLE 9 INDEMNIFICATION

9.1 Indemnification by the Vendor

Subject to Section 9.3, in the event that the Transaction is completed, the Vendor will indemnify and hold the Purchaser harmless from and against any loss, damage, claim, legal proceeding, deficiency or expense, including all out-of-pocket costs, and including, without limitation, all reasonable legal and accounting fees (collectively, the “**Purchaser Losses**”) relating to, arising from or in connection with the following matters:

- (a) any misrepresentation or breach of any warranty of the Vendor contained in this Agreement or in any agreement, certificate, or other document delivered or given pursuant to this Agreement;
- (b) any failure by the Vendor to fully perform, fulfill or comply with any covenant agreement or obligation set forth herein or in any certificate, document or other instrument delivered pursuant to or in connection with this Agreement; and
- (c) any failure of the Vendor to transfer good and valid title to the Property to the Purchaser, free and clear of all Encumbrances.

9.2 Indemnification by the Purchaser

Subject to Section 9.3, in the event that the Transaction is completed, the Purchaser will indemnify and hold the Vendor harmless from and against any loss, damage, claim, legal proceeding, deficiency or expense, including all out-of-pocket costs, and including, without limitation, all reasonable legal and accounting fees (collectively, the “**Vendor Losses**”) relating to, arising from or in connection with the following matters:

- (a) any misrepresentation or breach of any warranty of the Purchaser contained in this Agreement or in any agreement, certificate, or other document delivered or given pursuant to this Agreement; and
- (b) any failure by the Purchaser to fully perform, fulfill or comply with any covenant agreement or obligation set forth herein or in any certificate, document or other instrument delivered pursuant to or in connection with this Agreement.

9.3 Limits to Indemnification

Notwithstanding anything to the contrary in Sections 9.1 or 9.2:

- (a) the maximum liability of the Vendor for any Purchaser Losses will not exceed the Purchase Price;
- (b) the maximum liability of the Purchaser for any Vendor Losses will not exceed the Purchase Price; and
- (c) no claim may be brought to recover Purchaser Losses or Vendor Losses after the date which is 24 months following the Closing Date.

ARTICLE 10 AMENDMENT AND TERMINATION

10.1 Amendment

This Agreement may be amended by mutual written agreement of the Parties hereto provided, however, that any such change, waiver or modification does not invalidate any required approvals of the Vendor Shareholders in connection with the Transaction.

10.2 Termination

This Agreement may be terminated:

- (a) by mutual agreement of the Parties;
- (b) by either the Purchaser or the Vendor if:
 - (i) subject to Section 7.4, the other Party is in default of a covenant or obligation hereunder such that the conditions contained in Section 7.2(a) or 7.3(a) as applicable, would be incapable of satisfaction, provided the Party seeking to terminate this Agreement is not then in breach of this Agreement so as to cause any condition in favour of all Parties or in favour of the other Party not to be satisfied;
 - (ii) subject to Section 7.4, any material representation or warranty of the other Party under this Agreement is untrue or incorrect and will have become untrue or incorrect such that the condition contained in Section 7.2(b) or

7.3(b) as applicable, would be incapable of satisfaction, provided that the Party seeking to terminate this Agreement is not then in breach of this Agreement so as to cause any condition in favour of both Parties or in favour of the other Party not to be satisfied; or

(iii) the Closing Date does not occur on or prior to the Outside Date, provided that a Party may not terminate this Agreement pursuant to this Section 10.2(b)(iii) if the failure of the Closing Date to so occur has been a principal cause of, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under this Agreement.

- (c) by the Vendor, if there has been a Purchaser Material Adverse Change;
- (d) by the Purchaser, if there has been a Vendor Material Adverse Change; and
- (e) by the Purchaser, if the Vendor is in breach of Article 4.

If this Agreement is terminated in accordance with the foregoing provisions of this Section 10.2, no Party will have any further liability to perform its obligations hereunder, provided that nothing contained in this Section 10.2 will relieve any Party from any liability for any breach by it of this Agreement, including from any inaccuracy in its representations and warranties and any non-performance by it of its covenants made herein.

ARTICLE 11 GENERAL PROVISIONS

11.1 Notice

Any notice, consent, waiver, approval, report, authorization or other communication which any Party is required or may desire to give to or make upon any other Party pursuant to this Agreement will be effective and valid only if in writing and actually delivered (including by telecopy or electronic mail) to the second-mentioned Party at the following address of the second-mentioned Party:

- (a) To the Vendor:

Petratherm Ltd.
169 Fullarton Road
Dulwich SA 5065

Attention: [REDACTED]
Email: [REDACTED]

- (b) To the Purchaser:

Skarb Exploration Corp.
1055 West Hastings Street, Suite 970

Vancouver, British Columbia V6E 2E9

Attention: [REDACTED]

Email: [REDACTED]

or at such other address as such second-mentioned Party may from time to time designate to such first mentioned Party by notice delivered in accordance with this subsection. Notice will be deemed given when received.

11.2 Time

Time will be of the essence under this Agreement.

11.3 Enurement

This Agreement will enure to the benefit of and be binding upon the Vendor and the Purchaser and each of them and, as applicable, their heirs, executors, administrators, successors and assigns.

11.4 Further Assurances

Each of the Parties will, on demand by another Party, execute and deliver or cause to be executed and delivered all such further documents and instruments and do all such further acts and things as the other Party or Parties may reasonably require to evidence, carry out and give full effect to the terms, conditions, intent and meaning of this Agreement and to assure the completion of the Transaction.

11.5 Modifications, Approvals and Consents

No amendment, modification, supplement, termination or waiver of any provision of this Agreement will be effective unless in writing signed by the appropriate Party and then only in the specific instance and for the specific purpose given.

11.6 Counterparts

This Agreement may be executed in any number of counterparts and delivery by facsimile or electronic mail, each of which will together, for all purposes, constitute one and the same instrument, binding on the Parties, and each of which will together be deemed to be an original, notwithstanding that all of the Parties are not signatory to the same counterpart.

11.7 Assignment

Neither Party may assign the benefit of this Agreement to any party without the consent of the other Parties, such consent not to be unreasonably withheld. Notwithstanding the foregoing, the Purchaser will be entitled to assign this Agreement to an affiliate provided that the Purchaser will continue to be bound by this Agreement.

11.8 Governing Law and Forum

This Agreement shall be governed by and construed according to the laws of British Columbia and the Laws of Canada applicable therein. The Parties attorn to, and all actions arising from this Agreement will be commenced and maintained in the Supreme Court of British Columbia.

11.9 Severability

If any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of the remaining provisions contained herein will not in any way be affected or impaired thereby, unless in either case as a result of such determination this Agreement would fail in its essential purpose.

11.10 Confidentiality

Each Party must ensure that the Confidential Information remains confidential, except that the Parties may make disclosure of Confidential Information:

- (a) to any representative of a Party or representative of a related body corporate of a Party who needs that information in order to facilitate that Party's compliance with this Agreement and who is bound by an obligation of confidentiality;
- (b) to a bona fide intending assignee (or Person seeking to take control) of the Party provided that they are bound by an obligation of confidentiality;
- (c) to its accountants, auditors, legal advisers or other professional advisers to obtain professional advice;
- (d) to any bank, financier or financial institution from whom the Party is seeking to obtain finance provided that they are bound by an obligation of confidentiality;
- (e) as the Party reasonably believes is required to comply with obligations, or exercise rights, under any laws and authorizations;
- (f) as required by law, a competent court or to comply with the listing rules of any recognized stock exchange; or
- (g) with the prior written consent of the disclosing Party (which may include reasonable conditions).

The Parties hereto, intending to be legally bound have executed this Agreement as of the day and year first above written.

PETRATHERM LTD.

“Signed”

Authorized Signatory

SKARB EXPLORATION CORP.

“Signed”

Authorized Signatory

**SCHEDULE “A”
DESCRIPTION OF VENDOR TENEMENTS**

Tenement	Registered Holder (%)	Status	Application Date	Commencement Date	Expiry Date
EL 6897	Vendor (100%)	Granted (first year)	27 December 2018	3 October 2019	2 October 2024
ELA 7280	Vendor (100%)	Pending	16 July 2020	N/A	N/A
ELA 6951	Vendor (100%)	Pending	15 March 2019	N/A	N/A
ELA 7276	Vendor (100%)	Pending	16 July 2020	N/A	N/A

SCHEDULE "B"
FORM OF SUPPORT AGREEMENT

[Attached]

SKARB EXPLORATION CORP.

_____, 2020

(the “**Shareholder**”)

Re: Voting Support Agreement

Pursuant to asset purchase agreement (the “**Asset Purchase Agreement**”) dated the date hereof between Skarb Exploration Corp. (“**Skarb**”) and Petratherm Ltd. (“**Petratherm**”), Skarb will acquire (the “**Transaction**”) certain assets from Petratherm in consideration for common shares in the capital of Skarb (the “**Consideration Shares**”). Following closing of the Transaction, Petratherm will distribute the Consideration Shares by way of dividend, reduction of stated capital or other type of distribution in specie to its shareholders on a *pro rata* basis (the “**Distribution**”).

Capitalized terms used but not defined herein have the meanings ascribed thereto in the Asset Purchase Agreement.

The Asset Purchase Agreement requires Petratherm to obtain the approval of its shareholders for the Transaction and the Distribution.

The undersigned (the “**Shareholder**”) is the beneficial owner of that number of Petratherm common shares (the “**Petratherm Shares**”) and Petratherm stock options (collectively, the “**Petratherm Subject Securities**”) set forth on the Shareholder’s signature page attached to this agreement (the “**Agreement**”) and has agreed to enter into this Agreement in connection with the Transaction. For greater certainty, the term “Petratherm Subject Securities” shall include:

- (a) all of the Petratherm Shares that may become beneficially owned, or in respect of which the voting may become, directly or indirectly, controlled or directed by, the Shareholder after the date hereof and prior to any meeting of Petratherm shareholders held to approve the Transaction and/or the Distribution (the “**Meeting**”), including all of the Petratherm Shares issued upon the conversion, exchange or exercise of any securities of Petratherm convertible into or exchangeable or exercisable to Petratherm Shares held by the Shareholder or which may otherwise be acquired by the Shareholder after the date hereof and prior to the Meeting; and
- (b) all of the Petratherm Shares or other securities for which the Petratherm Subject Securities may be exchanged, received or into which the Petratherm Subject Securities may be converted or otherwise changed pursuant to any stock split, stock consolidation, merger, reorganization, recapitalization, amalgamation, plan of arrangement or other business combination involving Petratherm prior to the Meeting.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Skarb, Petratherm and the Shareholder (collectively, the “**Parties**”) agree as follows:

1. Agreement to Vote Petratherm Subject Securities

(a) The Shareholder hereby covenants, undertakes and agrees that he/she/it, as the case may be, shall:

(i) vote (or cause to be voted) all of the Petratherm Subject Securities (to the extent that such Petratherm Subject Securities are entitled to a vote in respect of such matters): (A) in favour of the approval, consent, ratification and adoption of the Vendor Shareholder Approval (and any actions reasonably required in furtherance thereof); and (B) against any action that is intended or would reasonably be expected to impede, interfere with, delay, postpone or discourage the matters contemplated by the Vendor Shareholder Approval (the “**Corporate Matters**”);

(ii) deliver, or cause to be delivered, to Petratherm’s transfer agent, or as otherwise directed by Petratherm, after receipt of proxy materials for, and no later than five calendar days before the date of the Meeting, or any other meeting of the securityholders (or any of them) of Petratherm called for the purpose of approving the Vendor Shareholder Approval, a duly executed proxy or form of proxy directing that the Petratherm Subject Securities be voted at such meeting in favour of the Vendor Shareholder Approval and the foregoing related matters;

(iii) not to, without the prior written consent of Skarb, requisition or join in the requisition of any meeting of Petratherm’s security holders for the purpose of considering any resolution with respect to the matters referred to above;

(iv) not support any action that is intended or could be expected to impede, interfere with, delay, postpone or discourage the completion of the Corporate Matters; and

(v) not do anything that could be expected to frustrate or hinder the consummation of the Corporate Matters.

(b) The Shareholder shall not, and hereby agrees not to:

(i) assert or exercise any dissent rights in respect of the Corporate Matters that the Shareholder may have; or

(ii) commence or participate in, and shall, and hereby agrees to, take all actions necessary to opt out of any class in any class action with respect to, any claim, derivative or otherwise, against Petratherm or Skarb or any of their subsidiaries (or any of their respective successors) relating to the consummation of the Corporate Matters.

(c) The Shareholder hereby revokes any and all previous proxies granted that may conflict or be inconsistent with the matters set forth in this Agreement and the Shareholder agrees not to, directly or indirectly, grant any other proxy or power of attorney with respect to the matters set forth in this Agreement except as expressly required or permitted by this Agreement.

2. No Sale Transfer or Encumbrance Additional Purchases

Except with the prior written consent of Skarb, the Shareholder agrees and covenants in favour of Skarb not to option, transfer, sell, gift, pledge, hypothecate, encumber, or otherwise dispose of any of the Petratherm Subject Securities, or enter into any agreement, arrangement or understanding in connection

therewith (including any derivative transaction that has the effect of reducing the economic exposure of the Shareholder to the Petratherm Subject Securities), provided that the Shareholder may transfer any of the Petratherm Subject Securities to a trust or other legal entity over which the Shareholder has control and is able to direct the voting of such Petratherm Subject Securities, or sell any of the Petratherm Subject Securities without the prior written consent of Skarb, so long as the purchaser agrees to be bound by the terms of this Agreement and enter into an agreement with Skarb on the same terms and conditions as this Agreement.

The Shareholder agrees that any Petratherm Shares purchased or acquired after the date hereof shall be subject to the terms of the Agreement to the same extent as the Petratherm Subject Securities.

3. Representations and Warranties of the Shareholder

The Shareholder represents and warrants that: (a) it owns, directly or indirectly, or has direction or control over, the Petratherm Subject Securities free and clear of all encumbrances, and does not own, directly or indirectly, or exercise control or direction over, any other securities of Petratherm; (b) it has the sole right to vote the Petratherm Subject Securities; (c) other than this Agreement, none of the Petratherm Subject Securities are subject to any adverse claim or voting agreement, proxy, voting trust, vote pooling or other agreement with respect to the right to vote the Petratherm Subject Securities or call meetings of holders of Petratherm Shares; (d) no person, firm, or corporation has any agreement or option, or any right or privilege capable of becoming an agreement or option, for the purchase, acquisition or transfer from the Shareholder of any of the Petratherm Subject Securities; (e) it has full power and authority to make, enter into and carry out the terms of this Agreement; and (f) there are no legal proceedings in progress before any public body, court or authority or, to the knowledge of the Shareholder, pending or threatened against the Shareholder that would adversely affect in any manner the ability of the Shareholder to enter into and carry out the terms of this Agreement.

4. Representations and Warranties of Skarb

Skarb represents and warrants that: (a) it is a corporation validly existing, duly organized and in good standing under the laws of its jurisdiction of incorporation; (b) it has the requisite power and authority to enter into and carry out the terms of this Agreement; and (c) this Agreement has been duly executed and delivered by Skarb and constitutes a legal, valid and binding obligation of Skarb, enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction.

5. Control

If any of the Petratherm Subject Securities are held through a nominee or corporation or trust or other legal entity over which the Shareholder has control, as defined in the legislation governing the ownership of the property of such nominee or corporation or trust or other legal entity (either alone or in conjunction with any other person), the Shareholder shall vote or shall cause to be voted such Petratherm Subject Securities and exercise his or her power and authority to ensure that this Agreement is complied with by said nominee or corporation or trust or other legal entity.

6. Capacity as Shareholder

If the Shareholder is a member of the board of directors of Petratherm, the Shareholder is bound hereunder solely in his capacity as a Shareholder.

7. Disclosure

The Shareholder agrees that the details of this Agreement may be set out in any press release, information circular or other communication of Petratherm issued, made or given in connection with the Transaction or the Asset Purchase Agreement and that this Agreement may be made publicly available on SEDAR or filed with the securities regulatory authorities in Canada and otherwise to the extent required by law.

8. Termination

- (a) This Agreement shall automatically terminate on the first to occur of:
 - (i) the date that shareholder approval for the Vendor Shareholder Approval is obtained;
 - (ii) the date that the Vendor Shareholder Approval is not obtained at a duly called and held Meeting;
 - (iii) the termination of the Asset Purchase Agreement pursuant to its terms; and
 - (iv) 12 months from the date of the Asset Purchase Agreement.
- (b) This Agreement may be terminated by the Shareholder at any time if (i) Skarb breaches or is in default of any of its covenants or obligations under this Agreement in a material way; or (ii) any of the representations or warranties of Skarb under this Agreement shall have been at the date hereof, or subsequently become, untrue or incorrect in any material respect; provided the Shareholder has notified Skarb in writing of any of the foregoing events and the same has not been cured by Skarb.
- (c) Upon termination of this Agreement in accordance with this Section 8, the provisions of this Agreement will become void and no party shall have liability to any other party, except in respect of a breach of any covenant, agreement or obligation hereunder, or a misrepresentation in this Agreement occurring prior to such termination.

9. Miscellaneous

- (a) Each of the Parties agrees to execute such further and other deeds, documents, instruments and assurances and to do such further and other acts as may be necessary to carry out the true intent and meaning of this Agreement fully and effectually.
- (b) It is understood and agreed that monetary damages would not be a sufficient remedy for any breach of this Agreement by the Shareholder. Without prejudice to the rights and remedies otherwise available to it, Skarb shall be entitled to equitable relief by way of injunction or otherwise if the Shareholder breaches, or threatens to breach, any of the provisions of this Agreement. Skarb shall not be required to obtain or furnish any bond or similar instrument in connection with or as a condition to obtaining or seeking any such remedy. Notwithstanding that damages may be readily quantifiable, the Shareholder agrees not to plead sufficiency of damages as a defense in any such proceeding and the Shareholder further agrees to not oppose Skarb in seeking or the granting of such relief.
- (c) This Agreement constitutes the entire agreement between the Parties concerning the subject matter hereof and supersedes all prior or contemporaneous representations, discussions,

proposals, negotiations, communications and agreements, whether oral or written, between the Parties relating to the same.

(d) No amendment, modification or waiver of any provision of this Agreement shall be effective unless in writing and signed by duly authorized signatories of the Parties. The waiver by either party of a breach of or a default under any provision of this Agreement shall not be construed as a waiver of any subsequent breach of or default under the same or any other provision of this Agreement, nor shall any delay or omission on the part of either party to exercise or avail itself of any right, power, privilege or remedy that it has or may have hereunder operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any further exercise of any such right, power, privilege or remedy hereunder.

(e) Nothing in this Agreement shall be construed to require a Party to violate any judgement, ruling, order, writ, injunction, award, law, decree, statute, ordinance, rule or regulation applicable to such Party.

(f) Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

(g) This Agreement shall be governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Each of the Parties hereby irrevocably attorns to the exclusive jurisdiction of the Courts of the Province of British Columbia in respect of all matters arising under and in relation to this Agreement and waives any defences to the maintenance of an action in the Courts of the Province of British Columbia.

(h) In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be invalid or unenforceable, the remaining portions hereof shall remain in full force and effect and such provision shall be enforced to the maximum extent possible so as to effect the intent of the Parties, and shall in no way be affected, impaired or invalidated.

(i) This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors, permitted assigns, trustees, representatives, heirs and executors. This Agreement may not be assigned by either party without the prior written consent of the other party.

(j) This Agreement may be executed in one or more counterparts and delivered by facsimile or other means of electronic reproduction, and each copy so executed and delivered will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same instrument.

THE SHAREHOLDER ACKNOWLEDGES THAT THIS AGREEMENT HAS BEEN PREPARED BY COUNSEL FOR SKARB AND REVIEWED BY COUNSEL FOR PETRATHERM, AND COUNSEL FOR SKARB AND PETRATHERM DO NOT REPRESENT THE SHAREHOLDER AND ACT ONLY IN THE INTEREST OF THEIR RESPECTIVE CLIENTS. THE SHAREHOLDER ACKNOWLEDGES THAT IT HAS BEEN URGED TO OBTAIN, AND THAT IT HAS HAD THE OPPORTUNITY TO OBTAIN, LEGAL ADVICE FROM INDEPENDENT COUNSEL IN CONNECTION WITH THIS AGREEMENT AND HAS (1) EITHER SOUGHT SUCH INDEPENDENT LEGAL ADVICE OR (II) WAIVED THE OPPORTUNITY TO OBTAIN SUCH ADVICE.

PETRATHERM LTD.

Per:

Authorized Signatory

SKARB EXPLORATION CORP.

Per:

Authorized Signatory

SHAREHOLDER

Print Name: