

INVESTMENT AGREEMENT

This Agreement is made effective as of the 26th day of August, 2024 (the “**Effective Date**”).

AMONG:

FANCAMP EXPLORATION LTD., a company organized under the laws of the Province of British Columbia and having a head office at 7290 Gray Avenue, Burnaby, British Columbia V5J 3Z2.

(“**Fancamp**”)

AND:

LODE GOLD RESOURCES INC., a company organized under the laws of the Province of Alberta and having a head office at 100 King Street West, Suite 5700, Toronto, Ontario M5X 1C7.

(“**Lode Gold**”)

AND:

1475039 BC LTD., a company organized under the laws of the Province of British Columbia and having a registered office at 20th Floor, 250 Howe Street, Vancouver, British Columbia V6C 3R8.

(“**Spin Co**” and, together with Fancamp and Lode Gold, the “**Parties**”)

WHEREAS:

- A. Lode Gold holds, or has the option to acquire, certain mineral exploration properties that it wishes to transfer to Spin Co, its wholly-owned subsidiary;
- B. Fancamp wishes to enter into a joint venture with Spin Co to advance exploration and development of certain mineral exploration properties; and
- C. Fancamp wishes to invest in Spin Co to provide capital needed to fund the transactions contemplated herein.

NOW THEREFORE, in consideration of the foregoing and the mutual covenants contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree each with the others as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires:

“**Agreement**” means this agreement as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof;

“**Applicable Law**” means any national, regional, federal, provincial, territorial, state, or local statute, law, ordinance, code, rule, regulation, order (including any consent decree or administrative order), applicable to, or any directive, guideline, policy or authorization of any Governmental Authority having jurisdiction with respect to any specified Person, property, transaction or event or any of such Person’s affairs, and any order, judgment, award or decree of any Governmental Authority, or arbitrator in any proceeding or action to which the Person in question is a party or by which such Person or any of its affairs is bound.

“**Business Day**” means any day which is not a Saturday, a Sunday or a day observed as a statutory or civic holiday under the laws of the Province of British Columbia or the federal laws of Canada;

“**Closing Date**” shall mean September 4, 2024, or such other date as mutually agreed by the Parties;

“**Encumbrance**” means any lien (statutory or otherwise), pledge, security interest, assignment, option, right of first refusal, adverse claim, easement, mortgage, charge, hypothec, indenture, deed of trust, statutory or deemed trust, conditional sale, restrictive covenant, right of occupation, right of way, servitude, title retention agreement or arrangement, restriction on the use of real property, encroachment, license, lease, or any other encumbrance;

“**Environmental Laws**” means any and all Applicable Laws relating to: (a) the protection of the environment or any natural resource; (b) the presence, release, discharge, handling, transportation, storage, remediation or disposal of Hazardous Materials; (c) the ownership, occupation, management, transfer or sale of contaminated sites, including any other regulation relating to the conservation, protection, contamination or remediation of the environment;

“**Environmental Permit**” means any permit, approval, identification number, license or other authorization required under or issued pursuant to any Environmental Law;

“**Extension Period**” has the meaning ascribed thereto in section 9.4(b);

“**Fancamp Investment**” has the meaning ascribed thereto in section 4.1;

“**Fancamp NSR**” means the 2% net smelter returns royalty to be granted by JV Co to Fancamp at closing on the Closing Date on the Fancamp Properties;

“**Fancamp Properties**” means those certain mining claims as further described in Schedule A attached hereto;

“**Fancamp Public Record**” means all information contained in any press release, material change report (excluding any confidential material change report), financial statements, management’s discussion and analysis, information circulars, annual information form, resource reports or other document of Fancamp which has been publicly filed by, or on behalf of, Fancamp pursuant to applicable securities laws or otherwise by or on behalf of Fancamp in the two years prior to the date of this Agreement;

“Fancamp TSX-V Approval” means, collectively, the conditional approval of the TSX-V granted to Fancamp with respect to (i) the Fancamp Investment, and (ii) the transfer of the Fancamp Properties to JV Co pursuant to Policy 5.3 of the TSX-V;

“Golden Culvert Properties” means the properties located in Selwyn Basin, Tombstone Belt, southeastern Yukon, as more particularly described in Schedule B attached hereto;

“Governmental Authority” means any domestic or foreign government, whether national, federal, provincial, state, territorial, regional, municipal or local (whether administrative, legislative, executive or otherwise);

“Governmental Authorization” means any authorization, approval, license, consent, quota or permit, including any Environmental Permit, issued by any Governmental Authority;

“Hazardous Materials” means any pollutant, contaminant, waste, hazardous substance, hazardous material, toxic substance, dangerous substance or dangerous good as so defined, judicially interpreted or identified in any Environmental Laws, including any that may impair the quality of any waters;

“Joint Venture Agreement” has the meaning ascribed thereto in section 2.5;

“JV Co” has the meaning ascribed thereto in section 2.1;

“JV Co Shares” has the meaning ascribed thereto in section 2.1;

“JV Properties” means the Fancamp Properties, the McIntyre Brook Properties and any other mineral properties acquired by JV Co;

“Lode Gold Public Record” means all information contained in any press release, material change report (excluding any confidential material change report), financial statements, management’s discussion and analysis, information circulars, annual information form, resource reports or other document of Lode Gold which has been publicly filed by, or on behalf of, Lode Gold pursuant to applicable securities laws or otherwise by or on behalf of Lode Gold in the two years prior to the date of this Agreement;

“Lode Gold Share” has the meaning ascribed thereto in section 3.1;

“Lode Gold Special Warrants” has the meaning ascribed thereto in section 3.1;

“Lode Gold Warrants” has the meaning ascribed thereto in section 3.1;

“Lode Gold TSX-V Approval” means, collectively, the conditional approval of the TSX-V granted to Lode Gold with respect to (i) the Private Placement; (ii) the Fancamp Investment, (iii) the transfer of the McIntyre Brook Properties to JV Co pursuant to Policy 5.3 of the TSX-V, and (iv) the transfer of the Yukon Properties to Spin Co;

“McIntyre Brook Option Agreements” means those option agreements to acquire a 100% interest in the McIntyre Brook Properties as further described in Schedule G attached hereto;

“McIntyre Brook Properties” means the properties located in New Brunswick as more particularly described in Schedule C attached hereto;

“Permitted Encumbrance” means

- (a) any reservations or exceptions contained in the concessions, claims or other original grant of rights underlying or related to the title to, or rights in, the applicable property; and
- (b) the rights reserved to or vested in municipalities or Governmental Authorities or other public authorities or agencies by statutory provisions or by the terms of leases, licenses, franchises, grants or permits;
- (c) the Fancamp NSR; and
- (d) the Encumbrances set out in the McIntyre Brook Option Agreements and the Win Option Agreement and included in Schedule C and Schedule D; and
- (e) the Encumbrances pursuant to the collateral charge agreements between R.W. Tomlinson Limited and Lode Gold;

“Penalty Payment” has the meaning ascribed thereto in section 9.4(b);

“Person” is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity;

“Private Placement” has the meaning ascribed thereto in section 3.1;

“RTO” has the meaning ascribed thereto in the Policy 5.2 – *Changes of Business and Reverse Takeovers* of the TSX-V;

“Spin Co Additional Financing” has the meaning ascribed thereto in section 9.6;

“Spin Co Private Placement” has the meaning ascribed thereto in section 8.1(a);

“Spin Co Shares” has the meaning ascribed thereto in section 4.1;

“Spin Out” has the meaning ascribed thereto in section 9.1;

“Subscription Agreement” has the meaning ascribed thereto in section 3.3;

“Subscription Funds” has the meaning ascribed thereto in section 3.1;

“Technical Information” means all seismic, geophysical, geochemical, drilling, metallurgical, and other data, drill logs, assays, designs, drawings, recipes, specifications, instructional materials, NI 43-101 technical reports, environmental baselines and environmental impact reports, paleontological and archaeological reports, hydro geological reports, reserve and resource reports, and such other scientific and technical reports, data and information;

“Termination Fee” means \$150,000;

“TSX-V” means the TSX Venture Exchange;

“**Win Option Agreement**” means the option agreements to acquire a 100% interest in the Win Property as further described in Schedule H attached hereto;

“**Win Property**” means the property located in the Tombstone Belt, southeastern Yukon, as more particularly described in Schedule D attached hereto; and

“**Yukon Properties**” means the Golden Culvert Properties and the Win Property.

1.2 The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and are not to affect its interpretation.

1.3 All references in this Agreement to dollars or \$ are expressed in Canadian currency unless otherwise specifically indicated.

1.4 **Schedules**

The following Schedules are attached to and incorporated in this Agreement by reference and are deemed to be a part hereof:

<i>Schedule</i>	<i>Title</i>
Schedule “A”	Fancamp Properties
Schedule “B”	Golden Culvert
Schedule “C”	McIntyre Brook Properties
Schedule “D”	Win Property
Schedule “E”	Joint Venture Agreement
Schedule “F”	Use of Proceeds
Schedule “G”	McIntyre Brook Option Agreements
Schedule “H”	Win Option Agreement
Schedule “I”	Spin Co Yukon Budget and Expense Reimbursement
Schedule “J”	JV Co Expense Reimbursement

ARTICLE 2 JOINT VENTURE

2.1 On or prior to the Closing Date, Spin Co and Fancamp hereby agree to incorporate a British Columbia company (“**JV Co**”), with Spin Co and Fancamp each holding 50% of the issued and outstanding common shares of JV Co (the “**JV Co Shares**”).

2.2 On closing, (a) Lode Gold hereby agrees to transfer all its interest in and to the McIntyre Brook Properties, and to assign the McIntyre Brook Option Agreements, as directed by Spin Co to JV Co in exchange for the receipt by Spin Co of such number of JV Co Shares as to be determined, and (b) Fancamp hereby agrees to transfer the Fancamp Properties to JV Co in exchange for such number of JV Co Shares as to be determined, provided that upon completion of the property transfers, option agreement assignments and share issuances contemplated in this section and upon completion of the Fancamp Investment pursuant to Article 4, Spin Co and Fancamp shall each hold 50% of the issued and outstanding JV Co Shares.

2.3 Notwithstanding the assignment of the McIntyre Brook Option Agreements to JV Co on closing, Spin Co hereby agrees to assume all share issuance obligations pursuant to the McIntyre Brook Option Agreements to the extent that any such option payments are permitted to be satisfied in shares pursuant to the applicable McIntyre Brook Option Agreements, and agrees to satisfy such

share issuance obligations by delivery of cash or Spin Co Share payments to the optionors in accordance with the McIntyre Brook Option Agreements, as amended and assigned.

- 2.4 Except for those option payments to be made by Spin Co in respect of the McIntyre Brook Option Agreements pursuant to section 2.3 above, JV Co hereby covenants and agrees to assume all cash option payment obligations that are not permitted to be satisfied in Lode Gold shares pursuant to the McIntyre Brook Option Agreements and to deliver such cash payments to the optionors pursuant to the applicable McIntyre Brook Option Agreements.
- 2.5 Spin Co and Fancamp shall enter into a shareholders' agreement (the "**Joint Venture Agreement**") on the Closing Date which agreement shall govern the contributions to and operations of JV Co, in the form attached as Schedule E.

ARTICLE 3 LODE GOLD PRIVATE PLACEMENT

- 3.1 Upon closing, Fancamp shall subscribe for an aggregate of \$500,000 (the "**Subscription Funds**") of special warrants of Lode Gold (the "**Lode Special Warrants**") at an issue price of \$0.035 per Lode Gold Special Warrant (the "**Private Placement**"), each Lode Gold Special Warrant to be exchanged immediately upon completion of the Spin Out, without any further payment or act of Fancamp, for one common share of Lode Gold ("**Lode Gold Share**") and one common share purchase warrant of Lode Gold (the "**Lode Gold Warrants**"). Each Lode Gold Warrant will be exercisable for one Lode Gold Share at a price of \$0.05 per Lode Gold Share for a period of five years from the date of issue.
- 3.2 Fancamp shall deposit the Subscription Funds into escrow in its solicitor's trust account no later than five (5) Business Days after the Effective Date, which funds shall be released from escrow on closing on the Closing Date subject to satisfaction or waiver of the closing conditions set out in section 7.1. In the event that the closing is not effected on the Closing Date, the Subscription Funds shall be immediately returned to Fancamp without interest or deduction.
- 3.3 Fancamp's subscription shall be subject to the terms and conditions of the Private Placement as specified in the subscription agreement provided to Fancamp in connection therewith (the "**Subscription Agreement**"), which Subscription Agreement shall be in form and substance mutually satisfactory to both Parties.
- 3.4 In the event that the Spin Out is not completed by the Outside Closing Date, the Lode Special Warrants shall convert on the Outside Closing Date to the Lode Gold Shares and Lode Gold Warrants provided that Lode Gold shall issue to Fancamp an additional 10% of the Lode Gold Shares and Lode Gold Warrants to be issued pursuant to the Private Placement on conversion.

ARTICLE 4 FANCAMP INVESTMENT AND SPIN CO

- 4.1 Subject to section 4.3 below, Fancamp shall invest \$2,500,000 (the "**Fancamp Investment**") upon closing in accordance with section 4.2 for such number of common shares of Spin Co (the "**Spin Co Shares**") that is equal to 19.9% of the issued and outstanding Spin Co Shares on an undiluted basis after completion of the Spin Out (and the RTO, if applicable) and before taking into consideration any dilution as a result of a Spin Co Additional Financing.
- 4.2 Fancamp shall pay the Fancamp Investment by paying \$2,500,000 by certified cheque or wire transfer to, or such other party as directed by, Spin Co.

- 4.3 The Parties acknowledge and agree that funds received by JV Co and Spin Co pursuant to section 4.2 shall be allocated as set forth in Schedule F.
- 4.4 On closing, Lode Gold hereby agrees to (1) transfer the Golden Culvert Properties to Spin Co, and (2) transfer all its interest in and to the Win Property, and assign the Win Option Agreement, to Spin Co.
- 4.5 Spin Co hereby agrees to:
- (a) permit a technical representative from Fancamp to attend Spin Co's monthly board meetings;
 - (b) provide quarterly updates with respect to the Yukon Properties' budget;
 - (c) permit Fancamp to conduct field visits of the Yukon Properties as and when requested; and
 - (d) maintain and update a database in respect of the Yukon Properties and to provide Fancamp with access to the database on an ongoing basis.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

- 5.1 Each of the Parties represents and warrants to the other Parties as follows and acknowledges that the other Parties are relying upon such representations and warranties in connection with the transactions contemplated herein and the entering into of this Agreement and that the other Parties would not enter into this Agreement and complete the transactions contemplated herein without these representations and warranties:
- (a) Organization and Status. The Party is duly incorporated, organized, and validly subsisting under the laws of their respective jurisdictions of incorporation and are up-to-date in the filing of all corporate and similar returns under the laws of those jurisdictions.
 - (b) Corporate Power. The Party has all necessary corporate power and authority to own or lease or dispose of its undertakings, property and assets, to enter into this Agreement and any other contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered and to perform its obligations hereunder and thereunder.
 - (c) Authorization. All necessary corporate action has been taken by the Party to authorize the execution and delivery of this Agreement and all other contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered by it and the performance of its obligations hereunder and thereunder.
 - (d) Enforceability. This Agreement and all other contracts, agreements, instruments, certificates and other documents required by this Agreement have or will be duly executed and delivered by it and will constitute legal, valid and binding obligations of the Party, enforceable against it in accordance with their terms, except as that enforcement may be limited by labour claims, bankruptcy, insolvency and other similar laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.
 - (e) Absence of Conflict. The execution, delivery and performance by the Party of this Agreement and of all contracts, agreements, instruments, certificates and other documents

required by this Agreement to which such Party is or will be a party will not (whether after the passage of time or notice or both):

- (i) conflict with, result in a violation or breach of, constitute a default or require any consent to be obtained under, or give rise to any termination rights or payment obligation under, any provision of:
 - (A) its constating documents or resolutions of its board of directors (or any committee thereof) or shareholders;
 - (B) any license or registration or any agreement, contract, Governmental Authorization or commitment, written or oral, to which such Party is a party to or bound by or subject to; or
 - (C) any Applicable Law;
 - (ii) result in a conflict, contravention, breach or default under or termination of, or acceleration or permit the acceleration of the performance required by, or loss of any benefit under, or require any approval under, any material contract (including the McIntyre Brook Option Agreements and the Win Option Agreement), Governmental Authorization or license to which it is a party or by which it is bound or to which the Yukon Properties or the McIntyre Brook Properties (as it pertains Lode Gold and Spin Co) or the Fancamp Properties (as it pertains to Fancamp) is subject or give to any Person any interest, benefit or right, including any right of purchase, termination, suspension, alteration, payment, modification, reimbursement, cancellation or acceleration, under any such contract, Governmental Authorization or license;
 - (iii) give rise to any rights of first refusal, rights of first offer, trigger any change in control or influence provisions or any restriction or limitation under any agreement, contract, indenture, approval, deed of trust, mortgage, bond, instrument or Governmental Authorization; or
 - (iv) result in the creation or imposition of any Encumbrance, other than Permitted Encumbrances, upon the Yukon Properties or the McIntyre Brook Properties (as it pertains to Lode Gold and Spin Co) or the Fancamp Properties (as it pertains to Fancamp).
- (f) Bankruptcy, Insolvency and Reorganization. The Party is not an insolvent person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or any Applicable Law of similar effect nor has the Party made an assignment in favour of its creditors nor a proposal in bankruptcy to its creditors or any class thereof nor had any petition for a receiving order presented in respect of it.
- (g) Regulatory Approvals and Consents. Except for the Lode Gold TSX-V Approval, the Fancamp TSX-V Approval and any regulatory approvals, consents or filings in connection with the Spin Out and RTO, no regulatory approval, consent or filing with, notice to, or waiver from any Governmental Authority is required to be obtained or made by the Party in connection with the execution and delivery of, and performance by, the Party of its respective obligations under this Agreement or the consummation of the transactions contemplated hereby.

- (h) Money Laundering. The operations of the Party are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements and money laundering laws and the rules and regulations thereunder and any related or similar laws, rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority relating to money laundering and no dispute involving the Party or any of its subsidiaries with respect to such laws is pending or, to the knowledge of such Party, threatened.
- (i) Anti-Corruption. The Party, nor to the knowledge of the Party, any of its directors, executives, officers, representatives, agents or employees has: (i) made or authorized any illegal contributions, gifts, entertainment or other expenses relating to political activity that would be illegal; (ii) used or is using any corporate funds for any direct or indirect illegal payments to any foreign or domestic governmental officials or employees; (iii) violated or is violating any provision of the *Canada Corruption of Foreign Public Officials Act* (Canada) or the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or any Applicable Law of similar effect; (iv) has established or maintained, or is maintaining, any illegal fund of corporate monies or other properties; or (v) made any bribe, illegal rebate, illegal payoff, influence payment, kickback or other illegal payment of any nature.

5.2 Fancamp hereby represents and warrants to Spin Co and Lode Gold as follows and acknowledges that Spin Co and Lode Gold are relying upon such representations and warranties in connection with the transactions contemplated herein and the entering into of this Agreement and that Spin Co and Lode Gold would not enter into this Agreement and complete the transactions contemplated herein without these representations and warranties:

- (a) No Other Arrangements. Fancamp has not entered into any arrangement or agreement or made any commitment with respect to the Fancamp Properties or any part thereof and Fancamp is not subject to, or a party to, any agreement, contract, order, judgment or decree, or any other restriction of any kind or character, which materially adversely affects Fancamp or the Fancamp Properties or which would prevent the consummation of the transactions contemplated by this Agreement, save for Permitted Encumbrances.
- (b) Litigation. Other than as disclosed in the Fancamp Public Record, there are no material actions or proceedings or to the knowledge of Fancamp material threatened or pending actions or proceedings, against or affecting Fancamp or the Fancamp Properties.
- (c) Fancamp Public Record. The Fancamp Public Record and all other information which has been prepared by Fancamp about Fancamp and the Fancamp Properties and either publicly disclosed or provided to Lode Gold, are, as of the date of such information, true and correct in all material respects.
- (d) Environmental.
 - (i) Fancamp is not in violation of any Applicable Laws, including Environmental Laws;
 - (ii) There have been no releases, deposits or discharges, in violation of Environmental Laws, of any Hazardous Materials into the earth, air or into any body of water or any municipal or other sewer or drain water systems in respect of the Fancamp Properties;

- (iii) No orders, directions, demands or notices have been threatened or have been issued and remain outstanding pursuant to any Environmental Laws relating to the Fancamp Properties;
- (iv) Fancamp, as of the date hereof, holds all licenses, permits, consents, approvals, agreements, certificates and regulatory approvals required under any Environmental Laws in connection with the operation of its business as presently conducted and the ownership and use of its assets, including the Fancamp Properties, and all such licenses, permits, consents, approvals, agreements, certificates and regulatory approvals are in full force and effect and Fancamp has no notice of any circumstances that may lead to the revocation, cancellation or curtailment of any of the same; and
- (v) Full and accurate particulars of or, in the case of a document, a copy of all environmental or health and safety assessments, audits, reviews or investigations, whether in draft or final form, which concern in whole or in part (directly or indirectly) the current or previous operations of Fancamp and which are in the possession or control of Fancamp as of the date hereof have been disclosed in writing to Lode Gold and Spin Co.

(e) Property and Mining

- (i) Fancamp is the legal and beneficial owner of a 100% interest in and to the Fancamp Properties, which properties are free and clear of any and all Encumbrances other than Permitted Encumbrances.
 - (ii) Schedule A lists all mining claims forming part of the Fancamp Properties held by Fancamp and such mining claims are in full force and effect and in good standing in all material respects as of the date of this Agreement.
 - (iii) Any and all taxes and other payments due and payable in respect of the Fancamp Properties have been paid.
 - (iv) Any and all material filings required to be made in respect of the Fancamp Properties have been made.
 - (i) All Permitted Encumbrances which are easements or registered agreements or restrictions are in good standing, and all obligations thereunder have been performed, and Fancamp is not in breach or default in any material respect under any such Permitted Encumbrance nor has there occurred any event nor does there exist any condition which, in either case, with the giving of notice or the lapse of time, would constitute such a breach or default.
- (f) Technical Information. All Technical Information regarding the Fancamp Properties in the possession or under the control of Fancamp has been delivered or made available to Lode Gold. Fancamp is not aware of any material inaccuracy or omission in such information which has not been disclosed to Lode Gold in writing.
- (g) Books and Records. All of the material books and records in the possession or under the control of Fancamp has been delivered or made available to Lode Gold and such books and

records are duly maintained in accordance with all Applicable Laws and contain full and accurate records of all matters required to be dealt with in such records.

5.3 Lode Gold and Spin Co hereby represent and warrant to Fancamp as follows and acknowledge that Fancamp is relying upon such representations and warranties in connection with the transactions contemplated herein and the entering into of this Agreement and that Fancamp would not enter into this Agreement and complete the transactions contemplated herein without these representations and warranties:

- (a) No Other Arrangements. Neither Lode Gold nor Spin Co has entered into any arrangement or agreement or made any commitment with respect to the Yukon Properties or the McIntyre Brook Properties or any part thereof and neither Lode Gold nor Spin Co is subject to, or a party to, any agreement, contract, order, judgment or decree, or any other restriction of any kind or character, which materially adversely affects Lode Gold, Spin Co, the Yukon Properties or the McIntyre Brook Properties or which would prevent the consummation of the transactions contemplated by this Agreement, save for Permitted Encumbrances.
- (b) Ownership of Shares. Lode Gold is the sole registered and beneficial holder of all of the Spin Co Shares with good and marketable title thereto, free and clear of all Encumbrances. The Spin Co Shares owned by Lode Gold constitute all of the issued and outstanding common shares of Spin Co. As of the date hereof there are no options, conversion privileges, warrants or other rights, agreements or commitments of any character whatsoever requiring the issuance, sale or transfer by Lode Gold of any Spin Co Shares or any securities or rights of any kind convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any Spin Co Shares, nor are there any outstanding stock appreciation rights, phantom equity or similar rights, agreements, arrangements or commitments based upon the share price, book value, income or other attribute of Spin Co. All outstanding Spin Co Shares have been duly authorized and validly issued, are fully paid and non-assessable and are not subject to, nor were they issued in violation of, any preemptive rights.
- (c) Spin Co Liabilities. As of the date hereof, Spin Co has no material liabilities and will not have any material liabilities at closing.
- (d) Litigation. Other than as disclosed in the Lode Gold Public Record, there are no material actions or proceedings or to the knowledge of Lode Gold material threatened or pending actions or proceedings, against or affecting Lode Gold, Spin Co, the Yukon Properties or the McIntyre Brook Properties.
- (e) Lode Gold Public Record. The Lode Gold Public Record and all other information which has been prepared by Lode Gold about Lode Gold, Spin Co, the Yukon Properties and the McIntyre Brook Properties and either publicly disclosed or provided to Fancamp, are, as of the date of such information, true and correct in all material respects.
- (f) Environmental.
 - (i) The Party is not in violation of any Applicable Laws, including Environmental Laws;
 - (ii) There have been no releases, deposits or discharges, in violation of Environmental Laws, of any Hazardous Materials into the earth, air or into any body of water or

any municipal or other sewer or drain water systems in respect of the Yukon Properties and McIntyre Brook Properties;

- (iii) No orders, directions, demands or notices have been threatened or have been issued and remain outstanding pursuant to any Environmental Laws relating to the Yukon Properties, the McIntyre Brook Properties or Spin Co;
- (iv) Lode Gold, as of the date hereof, holds all licenses, permits, consents, approvals, agreements, certificates and regulatory approvals required under any Environmental Laws in connection with the operation of its business as presently conducted and the ownership and use of its assets, including the Yukon Properties and the McIntyre Brook Properties, and all such licenses, permits, consents, approvals, agreements, certificates and regulatory approvals are in full force and effect and Lode Gold has no notice of any circumstances that may lead to the revocation, cancellation or curtailment of any of the same; and
- (v) Full and accurate particulars of or, in the case of a document, a copy of all environmental or health and safety assessments, audits, reviews or investigations, whether in draft or final form, which concern in whole or in part (directly or indirectly) the current or previous operations of Lode Gold and Spin Co and which are in the possession or control of either of the Lode Gold and Spin Co as of the date hereof have been disclosed in writing to Fancamp.

(g) Property and Mining

- (i) Lode Gold is the legal and beneficial owner of a 100% interest in the Golden Culvert Properties, which properties are free and clear of any and all Encumbrances other than Permitted Encumbrances.
- (ii) Schedule B lists all mining claims forming part of the Golden Culvert Properties held by Lode Gold and such mining claims are in full force and effect and in good standing in all material respects as of the date of this Agreement;
- (iii) Lode Gold has the exclusive right pursuant to the McIntyre Brook Option Agreements to acquire a 100% interest in and to the McIntyre Brook Properties and such rights are free and clear of any and all Encumbrances other than Permitted Encumbrances;
- (iv) Schedule C lists all mining claims forming part of the McIntyre Brook Properties and such mining claims are in full force and effect and in good standing in all material respects as of the date of this Agreement;
- (v) Schedule G set out all of the McIntyre Brook Option Agreements that are necessary or required for the acquisition of a 100% interest in and to the McIntyre Brook Properties and Lode Gold has delivered true and correct copies of the McIntyre Brook Option Agreements to Fancamp, all of which are, and will be at Closing, in good standing, valid and enforceable in accordance with their terms;
- (vi) Lode Gold has the exclusive right pursuant to the Win Option Agreement to acquire a 100% interest in and to the Win Property and such rights are free and clear of any and all Encumbrances other than Permitted Encumbrances;

- (vii) Schedule D lists all mining claims forming part of the Win Property and such mining claims are in full force and effect and in good standing in all material respects as of the date of this Agreement;
 - (viii) at the Closing Date, Lode Gold will have obtained all necessary consents to assign the McIntyre Brook Property to JV Co and the Win Property to Spin Co;
 - (ix) Any and all taxes and other payments due and payable in respect of the Yukon Properties and the McIntyre Brook Properties have been paid.
 - (x) Any and all material filings required to be made in respect of the Yukon Properties and the McIntyre Brook Properties have been made.
 - (xi) All Permitted Encumbrances which are easements or registered agreements or restrictions are in good standing, and all obligations thereunder have been performed, and Lode Gold is not in breach or default in any material respect under any such Permitted Encumbrance nor has there occurred any event nor does there exist any condition which, in either case, with the giving of notice or the lapse of time, would constitute such a breach or default.
- (h) Technical Information. All Technical Information regarding the Yukon Properties and the McIntyre Book Properties in the possession or under the control of Lode Gold and/or Spin Co has been delivered or made available to Fancamp. Neither Lode Gold nor Spin Co is aware of any material inaccuracy or omission in such information which has not been disclosed to Fancamp in writing.
- (i) Books and Records. All of the material books and records in the possession or under the control of Lode Gold or Spin Co has been delivered or made available to Fancamp and such books and records are duly maintained in accordance with all Applicable Laws and contain full and accurate records of all matters required to be dealt with in such records
- (j) Employment Matters. There are no employees associated with Spin Co, the Yukon Properties or the McIntyre Brook Properties.
- (k) Material Agreements. All agreements, contracts, royalties, ancillary documents, permits, licences, approvals, plans, certificates and other rights and authorizations that are material to the business, the assets, or the operations of Spin Co has been disclosed in writing to Fancamp and are valid and subsisting. All material contracts are in good standing and in full force and effect, and to the best of Lode Gold's and Spin Co's information, knowledge and belief, after due inquiry, no event, condition or occurrence exists that, after notice or lapse of time or both, would constitute a default under any such contract.

ARTICLE 6 DIRECTORS

- 6.1 Spin Co hereby agrees to appoint one (1) director, as designated by Fancamp, to its Board of Directors until such time as the Spin Out is completed. Following the completion of the Spin Out, Spin Co agrees to nominate for election Fancamp's designated board appointee for so long as Fancamp holds not less than 10% of the Spin Co Shares.

- 6.2 Lode Gold hereby agrees that Fancamp may, at its sole discretion, appoint an observer to attend all meetings of the Lode Gold Board of Directors until such time as the Spin Out is completed and agrees to provide such observer with all information circulated to the Lode Gold Board of Directors.

ARTICLE 7 CLOSING

- 7.1 The obligations of Fancamp to consummate the transactions contemplated by this Agreement are subject to the following conditions being satisfied at or prior to the closing on the Closing Date, which conditions are for the exclusive benefit of Fancamp and may be waived, in whole or in part, in writing by Fancamp in its sole discretion:

- (a) Satisfactory Due Diligence Review. Fancamp shall have completed, in its sole and absolute discretion, a satisfactory due diligence review of the Yukon Properties, the McIntyre Brook Properties and Spin Co;
- (b) Acceptance of TSX-V. The Lode Gold TSX-V Approval and the Fancamp TSX-V Approval shall have been granted;
- (c) Representations and Warranties. The representations and warranties of Lode Gold and Spin Co made in this Agreement, and any other agreement, certificate or other document delivered pursuant to this Agreement, will be true and correct, in all material respects, as of the closing with the same force and effect as though such representations and warranties had been made as of the Closing Date, and for certainty, any representations and warranties made as at a date prior to the Closing Date will be deemed to be made as at the Closing Date;
- (d) Performance of Covenants. Lode Gold and Spin Co will have complied with all covenants and obligations to be performed or caused to be performed by them under this Agreement in all material respects, including the due and valid incorporation of JV Co, and any other agreement or document delivered pursuant to this Agreement, at or prior to the Closing Date;
- (e) No Proceedings. No action or proceeding is outstanding, or to the best of Lode Gold's information, knowledge and belief, after due inquiry, pending or threatened by any Person in any jurisdiction, and no order or notice will have been made, issued or delivered by any Governmental Authority, seeking to enjoin, restrict or prohibit, or enjoining, restricting or prohibiting, on a temporary or permanent basis, the transactions contemplated by this Agreement or imposing any temporary or permanent terms or conditions on the transactions contemplated by this Agreement, including requiring that any assets or shares be held separate or divested or requiring any form of behavioral or other remedy in respect of the Yukon Properties or the McIntyre Brook Properties after closing.

- 7.2 The obligations of Lode Gold and Spin Co to consummate the transactions contemplated by this Agreement are subject to the following conditions being satisfied at or prior to the closing on the Closing Date, which conditions are for the exclusive benefit of Lode Gold and Spin Co and may be waived, in whole or in part, in writing by Lode Gold and Spin Co in their sole discretion:

- (a) Satisfactory Due Diligence Review. Lode Gold shall have completed, in its sole and absolute discretion, a satisfactory due diligence review of the Fancamp Properties and Fancamp;

- (b) Acceptance of TSX-V. The Lode Gold TSX-V Approval and the Fancamp TSX-V Approval shall have been granted;
- (c) Representations and Warranties. The representations and warranties of Fancamp made in this Agreement, and any other agreement, certificate or other document delivered pursuant to this Agreement, will be true and correct, in all material respects, as of the closing with the same force and effect as though such representations and warranties had been made as of the Closing Date, and for certainty, any representations and warranties made as at a date prior to the Closing Date will be deemed to be made as at the Closing Date;
- (d) Performance of Covenants. Fancamp will have complied with all covenants and obligations to be performed or caused to be performed by it under this Agreement in all material respects, including the due and valid incorporation of JV Co, and any other agreement or document delivered pursuant to this Agreement, at or prior to the Closing Date;
- (e) No Proceedings. No action or proceeding is outstanding, or to the best of Fancamp's information, knowledge and belief, after due inquiry, pending or threatened by any Person in any jurisdiction, and no order or notice will have been made, issued or delivered by any Governmental Authority, seeking to enjoin, restrict or prohibit, or enjoining, restricting or prohibiting, on a temporary or permanent basis, the transactions contemplated by this Agreement or imposing any temporary or permanent terms or conditions on the transactions contemplated by this Agreement, including requiring that any assets or shares be held separate or divested or requiring any form of behavioral or other remedy in respect of the Fancamp Properties after closing.

7.3 Upon closing on the Closing Date, Fancamp shall deliver:

- (a) to Lode Gold:
 - (i) the executed Subscription Agreement; and
 - (ii) \$500,000 by way of certified cheque or wire transfer representing the Subscription Funds;
- (b) to Spin Co:
 - (i) the executed Joint Venture Agreement;
 - (ii) evidence that the Fancamp Properties have been transferred to JV Co; and
- (c) to Spin Co, or such other party as directed by Spin Co, \$2,500,000 by way of certified cheque or wire transfer representing the Fancamp Investment further to section 4.2; and

7.4 Upon closing on the Closing Date, Spin Co shall deliver to Fancamp:

- (a) the Joint Venture Agreement as executed by Spin Co;
- (b) evidence that the funds from the Fancamp Investment to be allocated to JV Co and the New Brunswick assets have been allocated to JV Co as set out in Schedule F;

- (c) 5,423,078 common shares of Spin Co, representing 19.9% of the issued and outstanding Spin Co Shares on the Closing Date; and
- (d) confirmation that Rajesh Sharma has been appointed to the board of Spin Co.

7.5 Upon closing on the Closing Date, Lode Gold shall deliver the following to Fancamp:

- (a) evidence that the Golden Culvert Properties have been transferred to Spin Co;
- (b) 14,285,714 Lode Gold Special Warrants;
- (c) amendment agreements executed by Lode Gold, Spin Co and optionors of the McIntyre Brook Properties pursuant to which the optionors shall agree that any shares issuable under such McIntyre Brook Option Agreements will be Spin Co Shares rather than common shares of Lode Gold;
- (d) undertakings executed by JV Co addressed to each of the optionors of the McIntyre Brook Properties pursuant to section 9.2 of the McIntyre Brook Option Agreements; and
- (e) undertakings executed by Spin Co addressed to the optionor of the Win Property pursuant to section 9.2 of the Win Option Agreement.

7.6 Upon closing on the Closing Date, each of Spin Co and Fancamp shall also receive such number of JV Co Shares as to be determined with each holding 50% of the issued and outstanding JV Co Shares on completion thereof and Fancamp shall be granted the Fancamp NSR by JV Co.

ARTICLE 8 POST-CLOSING MATTERS

8.1 Spin Co Private Placement.

- (a) After closing but prior to completion of the Spin Out, Spin Co shall raise an aggregate of \$1,500,000, in addition to and not including the Fancamp Investment (the “**Spin Co Private Placement**”). The Parties acknowledge and agree that the funds from the Spin Co Private Placement shall be allocated as set forth in Schedule F.
- (b) If Spin Co fails to raise in part or whole of the aggregate of \$1,500,000 pursuant to the Spin Co Private Placement before the date that is 30 days after the Outside Closing Date (as defined below), Spin Co shall transfer to Fancamp such number of JV Co Shares determined as follows:

Amount Spin Co fails to raise	% JV Co Shares to transfer to Fancamp
\$1,500,000	15%
\$1,000,000	11.25%
\$500,000	7.5%

- 8.2 Technical Report and Financial Statements. Fancamp shall arrange on behalf of Spin Co to prepare and deliver:
- (a) a NI 43-101 compliant technical report (the “**Fancamp Technical Report**”) to Lode Gold and any required financial information relating to the Fancamp Properties and the McIntyre Brook Properties as may be requested by the TSX-V or other stock exchange; and
 - (b) financial statements of JV Co and for the Fancamp Properties as may be requested by the TSX-V or other stock exchange (the “**JV Co Financial Statements**”),
- by August 30, 2024 (the “**Report Completion Deadline**”).
- 8.3 Reimbursement of Expenses. Within 60 days of the Closing Date:
- (a) Spin Co shall reimburse Lode Gold for the expenses spent by Lode Gold on Spin Co and its assets in the Yukon as more particularly set forth in Schedule I, with the Parties agreeing that the budgeted expenditures on Spin Co’s assets in the Yukon shall be materially as set forth in Schedule I; and
 - (b) JV Co shall reimburse Lode Gold and Fancamp for the expenses spent by Lode Gold and Fancamp, as applicable, on JV Co and Fancamp’s assets in New Brunswick as more particularly set forth in Schedule J.
- 8.4 Fancamp NSR. In the event that Spin Co secures reduced net smelter returns royalty and buy-back terms on all, but not less than all, of the McIntyre Brook Properties, Fancamp hereby agrees to proportionately reduce the Fancamp NSR and buy-back of the Fancamp NSR. Fancamp further agrees not to sell, transfer, assign or otherwise dispose of any of its interest in the Fancamp NSR for a period of 18 months from the Closing Date.

ARTICLE 9 SPIN OUT TRANSACTION AND RTO

- 9.1 Subject to section 9.3, as soon as reasonably practicable following the Closing Date and, in any event, no later than March 31, 2025 (the “**Outside Closing Date**”), Lode Gold shall commence a spin-out transaction of Spin Co (the “**Spin Out**”), whereby:
- (a) each shareholder of Lode Gold on the effective date of the Spin Out shall receive Spin Co Shares for each Lode Gold Share held;
 - (b) Spin Co via direct listing or RTO becomes a reporting issuer listed and quoted for trading on a recognized Canadian stock exchange (the “**Exchange**”); and
 - (c) immediately after completion of the Spin Out (and the RTO, if applicable), Fancamp shall hold 19.9% of the issued and outstanding Spin Co Shares on an undiluted basis, before taking into consideration any dilution as a result of a Spin Co Additional Financing.
- 9.2 If immediately before the completion of the Spin Out, Fancamp holds less than 19.9% of Spin Co’s issued and outstanding share capital on an undiluted basis other than as a result of a Spin Co Additional Financing, Lode Gold shall transfer or issue for nominal consideration such number of Spin Co Shares as is required to increase Fancamp’s shareholdings of Spin Co such that Fancamp shall hold 19.9% of Spin Co’s issued and outstanding share capital on an undiluted basis after

completion of the Spin Out (and the RTO, if applicable) and before taking into consideration any dilution as a result of a Spin Co Additional Financing.

- 9.3 Notwithstanding section 9.1 above, in the event that Fancamp delivers the Fancamp Technical Report or JV Co Financial Statements to Lode Gold on such date after the Report Completion Deadline (the “**Report Completion Date**”), the Outside Closing Date shall be extended by the same number of days by which the Report Completion Date exceeds the Report Completion Deadline.
- 9.4 If Lode Gold fails to complete the Spin Out before the Outside Closing Date, Lode Gold at its election shall:
- (a) cause Spin Co, and Spin Co hereby agrees, to transfer to Fancamp, on the business day immediately following the Outside Closing Date, such number of JV Co Shares as is equal to 15% of JV Co’s issued and outstanding share capital; or
 - (b) pay a penalty to Fancamp (the “**Penalty Payment**”), equal to an annual rate of 6% of \$3,000,000 calculated on a pro rata basis, for such number of days as the Spin Out has been delayed up to a maximum of 60 days from the Outside Closing Date (the “**Extension Period**”), which Penalty Payment shall be paid on the date that is the earlier of (i) the completion date of the Spin Out, and (ii) the last day of the Extension Period. In the event Lode Gold fails to complete the Spin Out before the expiry of the Extension Period, Spin Co shall transfer to Fancamp such number of JV Co Shares as is equal to 15% of JV Co’s issued and outstanding share capital.
- 9.5 In the event that Spin Co undertakes an RTO following completion of the Spin Out, by way of an amalgamation agreement or arrangement agreement (the “**RTO Agreement**”), Spin Co hereby agrees that the RTO Agreement will provide (i) that Fancamp shall continue to be the holder of 19.9% of the issued and outstanding shares of the resulting issuer following the completion of the RTO, before taking into consideration any dilution as a result of a Spin Co Additional Financing, and (ii) Fancamp with the same rights and obligations with respect to the resulting issuer as the rights and obligations it holds with respect to Spin Co.
- 9.6 In the event that: (a) Spin Co raises funds in excess of the \$1,500,000 pursuant to the Spin Co Private Placement; (b) a concurrent financing is done in connection with the RTO (either by Spin Co or such other issuer); or (c) any future financing is undertaken by the resulting issuer following the completion of an RTO or by Spin Co, (each, a “**Spin Co Additional Financing**”), Spin Co covenants and agrees that so long as Fancamp holds at least 10% of the issued and outstanding shares of Spin Co or the resulting issuer, as applicable, (i) Fancamp shall have the right (but not the obligation) to participate in the Spin Co Additional Financing to allow it to maintain its interest in Spin Co or the resulting issuer, as applicable, and (ii) if the Spin Co Additional Financing is in the resulting issuer, the RTO Agreement shall provide for Fancamp’s right to participate in such concurrent or future financings.

ARTICLE 10 TERMINATION OF THE AGREEMENT

- 10.1 This Agreement may be terminated upon the occurrence of any of the following:
- (a) at any time upon mutual agreement of the Parties;
 - (b) by Fancamp:

- (i) if either Lode Gold or Spin Co commits a material breach of any provision of this Agreement, where such material breach remains uncured for a period of thirty days following notice from Fancamp of its intention to terminate this Agreement; or
 - (ii) if any condition in section 7.1 has not been fulfilled at or before the closing on the Closing Date or if any such condition is or becomes impossible to satisfy, other than as a result solely of the failure of Fancamp to comply with its obligations under this Agreement,
- (c) by Lode Gold:
 - (i) if Fancamp commits a material breach of any provision of this Agreement, where such material breach remains uncured for a period of thirty days following notice from Lode Gold of its intention to terminate this Agreement; or
 - (ii) if any condition in section 7.2 has not been fulfilled at or before the closing on the Closing Date or if any such condition is or becomes impossible to satisfy, other than as a result solely of the failure of either Lode Gold or Spin Co to comply with its obligations under this Agreement.
- 10.2 In the event that this Agreement is terminated by Fancamp pursuant to section 10.1(b), Lode Gold shall pay the Termination Fee to Fancamp.
- 10.3 In the event that this Agreement is terminated by Lode Gold pursuant to section 10.1(c), Fancamp shall pay the Termination Fee to Lode Gold.
- 10.4 Notwithstanding any other provision contained herein, Articles 8 and 9 shall survive the closing of the transactions contemplated herein on the Closing Date and shall terminate upon termination of this Agreement in accordance with Section 10.1.

ARTICLE 11 GENERAL

- 11.1 If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect:
 - (a) the legality, validity or enforceability of the remaining provisions of this Agreement; or
 - (b) the legality, validity or enforceability of that provision in any other jurisdiction.
- 11.2 Except as otherwise expressly provided herein, each Party shall be responsible for all costs and expenses (including any taxes imposed on such expenses) incurred by it in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisers).
- 11.3 This Agreement is governed by and shall be construed and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable in the Province of British Columbia.

11.4 All notices, payments and other required communications to be delivered hereunder shall be in writing and shall be addressed respectively as follows:

- (a) if to Lode Gold or Spin Co:
100 King St. West, Suite 5700,
Toronto, Ontario, M5X 1C7, Canada
Email: [redacted]
Attention: Wendy T. Chan, Chief Executive Officer and Director
- (b) if to Fancamp:
Fancamp Exploration Ltd.
290 Gray Avenue
Burnaby, British Columbia V5J 3Z2
Email: [redacted]
Attention: Rajesh Sharma, President and CEO

All notices shall be given by personal delivery, email or by facsimile communications and shall be effective and deemed delivered at the time of actual delivery if it is a Business Day and otherwise on the next Business Day.

- 11.5 No waiver of any provisions of this Agreement is binding unless it is in writing and signed by all the Parties to this Agreement entitled to grant the waiver. No failure to exercise, and no delay in exercising any right or remedy under this Agreement will be deemed to be a waiver of any subsequent breach of that provision.
- 11.6 Time is of the essence in this Agreement.
- 11.7 No amendment, supplement, restatement or termination of any provision in this Agreement is binding unless it is in writing and signed by each Party to this Agreement at the time of amendment, supplement, restatement or termination.
- 11.8 This Agreement will inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.
- 11.9 This Agreement and all documents contemplated by or delivered under or in connection with this Agreement constitute the entire agreement between the parties with respect to the subject matter and supersede all prior agreements, negotiations, discussions, undertakings, representations, warranties and understandings, whether written or verbal.

[signature page to follow]

Schedule A
Fancamp Properties

[redacted]

**Schedule B
Golden Culvert**

[redacted]

Schedule C
McIntyre Brook Properties

[redacted]

Schedule D
Win Property

[redacted]

Schedule E
Joint Venture Agreement

(see attached)

SHAREHOLDERS' AGREEMENT

This Agreement made this ____ day of _____, 2024 (the "**Effective Date**").

BETWEEN:

1475039 B.C. LTD., a corporation incorporated under the laws of the Province of British Columbia

(hereinafter referred to as "**Lode Gold SPIN CO**")

- and -

FANCAMP EXPLORATION LTD., a corporation incorporated under the laws of the Province of British Columbia

(hereinafter referred to as "**Fancamp**")

- and -

[●], a corporation incorporated under the laws of the Province of British Columbia

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

WHEREAS:

- A. Lode Gold SPIN CO and Fancamp wish to collaborate on a proposed investment and joint venture transaction to be conducted between the Parties (the "**Joint Venture**");
- B. As part of the Joint Venture, Fancamp has transferred the Fancamp Property (as defined hereafter), and Lode Gold SPIN CO has, directly or indirectly, assigned all right and interest in and to the McIntyre Brook Option Agreements (as defined hereafter) in respect of the McIntyre Brook Property (as defined hereafter), to the Corporation in consideration of (i) the Shares (as defined hereafter), and (ii) the NSR Covenants (as defined hereafter), and have provided the Fancamp Contribution, and the Lode Gold SPIN CO Contribution;
- C. The authorized capital of the Corporation consists of an unlimited number of Common Shares, of which [●] Common Shares are now issued and outstanding as fully paid and non-assessable and registered in the names of Lode Gold SPIN CO and Fancamp as follows:
- | | |
|-------------------|-------------------|
| Lode Gold SPIN CO | [●] Common Shares |
| Fancamp | [●] Common Shares |
- (collectively, the "**Shares**");
- D. The Corporation is the registered or recorded owner of the Fancamp Property (as defined below);
- E. The Corporation has the right to acquire a 100% interest in and to the McIntyre Brook Property pursuant to the McIntyre Brook Option Agreements;
- F. The Parties have agreed to enter into this Agreement in order to provide their respective rights and obligations as shareholders with respect to the Corporation with effect as of the Effective Date.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the respective covenants and agreements of the Parties contained herein and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the Parties), it is hereby agreed as follows:

ARTICLE 1 DEFINITIONS AND PRINCIPLES OF INTERPRETATION

1.1 Definitions

In this Agreement, unless there is something in the context or the subject matter inconsistent therewith, the following terms shall have the following meanings, respectively:

- (a) "**Accounting Procedures**" means the accounting procedures prescribed from time to time by the Board;
- (b) "**Act**" shall mean the *Business Corporations Act* (British Columbia), as the same may be amended, restated, or replaced from time to time and any successor legislation thereto, except as otherwise expressly provided;
- (c) "**Advances**" means any and all monies advanced by either or both Shareholders as Loans to or on behalf of the Corporation including, without limitation, to the Operator pursuant to Strategic Plans and their related Budgets in accordance with the terms of this Agreement;
- (d) "**Affiliate**" of a Shareholder means in respect of any Party, any person, partnership, joint venture, corporation or other form of enterprise which directly or indirectly controls, is controlled by, or is under common control with, such Party; for the purposes of the preceding sentence and this Agreement, "**Control**" means possession, directly or indirectly, of the power to direct or cause direction of management and policies through ownership of voting securities, contract, voting trust or otherwise and "**controlled by**" and "**under common control**" have similar meanings;
- (e) "**Agent**" has the meaning set out in Section 5.1(d);
- (f) "**Agreement**" means this Shareholders' Agreement, including all written amendments and modifications thereof from time to time, and all schedules and exhibits which are incorporated herein;
- (g) "**Applicable Laws**" means in relation to any Person, transaction, or event, all applicable provisions in force at the applicable time of: (i) all laws, statutes, rules, regulations, and orders of all governmental and non-governmental bodies (whether administrative, legislative, executive or otherwise) having jurisdiction including all waivers, legal non-conforming uses or other relief from compliance with the foregoing where such waiver, legal non-conforming use or other relief is recognized as having the effect of law; and (ii) all judgments, orders and decrees of all courts, arbitrators, commissions or bodies exercising similar functions in actions or proceedings in which the Person in question is a party or by which it is bound or having direct or indirect application to the transaction or event;
- (h) "**Approved Budget**" means a Budget that is unanimously approved by the Board in accordance with this Agreement;

- (i) "**Approved Strategic Plan**" means a Strategic Plan that is unanimously approved by the Board in accordance with this Agreement;
- (j) "**Approved Plan Overruns**" means Material Plan Overruns that are approved by the Board in accordance with this Agreement;
- (k) "**Area of Interest**" means that area within five kilometres of the boundary of the Property;
- (l) "**Arm's Length**" means "arm's length" within the meaning of the *Income Tax Act* (Canada), as the same may be amended from time to time;
- (m) "**Assets**" means the Property and all other assets acquired or held by the Corporation as the same may exist from time to time;
- (n) "**Board**" means the board of directors of the Corporation;
- (o) "**Budget**" means a detailed projection of costs, use of cash, expenses, revenues and production from or required for Mining Operations in respect of Work;
- (p) "**Business**" means the business of exploring, permitting, financing, developing, mining and operating the Property and other prospective gold properties which may be acquired by the Corporation in the immediate vicinity of the Property, with specific focus on developing gold resources thereon;
- (q) "**Business Day**" means any day other than a Saturday or a Sunday or a statutory, civic or bank holiday in Vancouver, British Columbia or New Brunswick;
- (r) "**Chairman**" means the chair of the Board;
- (s) "**Common Shares**" means the common shares in the capital of the Corporation;
- (t) "**Control**" means the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of securities, by contract or by any other means and "Controls", "Controlled by" and "under common Control with" have corresponding meanings;
- (u) "**Corporation**" has the meaning set out in the preamble;
- (v) "**Costs**" means Work Costs, and Approved Plan Overruns, as applicable;
- (w) "**Cost Share**" means the respective share of Costs and other liabilities to be borne by each Shareholder, which will be equal to the respective Proportionate Share of each Shareholder as determined from time to time pursuant to this Agreement;
- (x) "**Deadlock Resolution Notice**" means a notice served by one Shareholder to the other Shareholder in which the server offers, at the price for each Share specified in the notice (in cash and not on deferred terms), either to sell all its Shares in the Corporation to the recipient of the notice or to buy all of the recipient's shares in the Corporation;
- (y) "**Dilution Event**" means each of the events described in Sections 6.3(c) and 6.4(d) which will cause the Proportionate Share of a Shareholder to be diluted in accordance with the provisions of Section 6.4;

- (z) "**Directors**", "**Board of Directors**" and "**Board**" means the Individual or Individuals who are, from time to time, duly elected as directors of the Corporation in accordance with the terms of this Agreement and "**Director**" means any one of them;
- (aa) "**Effective Date**" has the meaning set out in the preamble;
- (bb) "**Facilities**" means all mines, plants and facilities including, without limitation, all pits, shafts, haulage ways, and other underground workings, and all buildings, plants, facilities and other structures, fixtures and improvements, and all other property, whether fixed or moveable, as the same may exist at any time in, or on the Property and relating to the operation of the Property as a mine or outside the Property if for the exclusive benefit of the Property only;
- (cc) "**Fancamp**" has the meaning set out in the preamble;
- (dd) "**Fancamp Property**" means those certain mining properties consisting of the Riley Brook property located in New Brunswick, all as listed in Schedule "A" hereto, which properties have a two percent (2%) net smelter returns royalty in favour of Fancamp with the option to repurchase one half of the net smelter returns (being 1%) for the sum of \$10 million, subject to any adjustment pursuant to Section 7.3;
- (ee) "**Fully Diluted Shareholder**" means a Shareholder whose Proportionate Share has been diluted to less than 10% pursuant to the dilution provisions set out in Section 6.4;
- (ff) "**GAAP**" means generally accepted accounting principles in Canada, consistently applied from period to period;
- (gg) "**Governmental Authority**" means any government, regulatory authority, governmental department, agency, commission, board, tribunal, crown corporation, or court or other law, rule or regulation-making entity having or purporting to have jurisdiction on behalf of any nation, or province or state or other subdivision thereof or any municipality, district or other subdivision thereof;
- (hh) "**Indemnitee**" has the meaning set out in Section 2.7;
- (ii) "**Individual**" means a natural person;
- (jj) "**Initial Strategic Plan**" means the initial exploration program attached as Schedule "C";
- (kk) "**Interest**" of a Shareholder means all right, title and interest of that Shareholder in and to any of the Common Shares, the revenues derived from the Corporation as a shareholder and any other right or claim a Shareholder may have against the Corporation as a shareholder including that Shareholder's interest in and to this Agreement;
- (ll) "**Investment Agreement**" means the agreement among Lode Gold Resources Inc., Fancamp and Lode Gold SPIN CO dated August 26, 2024 in respect of the creation of, and the transfer of or assignment of rights to the Property to, the Corporation;
- (mm) "**Joint Venture**" has the meaning set out in the preamble;
- (nn) "**Loan**" means at the relevant time any amounts advanced by a Shareholder to the Corporation and outstanding, or advanced by another Person to the Corporation and

assigned to a Shareholder and outstanding, together with accrued interest thereon, less in either case any amounts owing by that Shareholder to the Corporation;

- (oo) "**Lode Gold**" means Lode Gold Resources Inc.;
- (pp) "**Lode Gold SPIN CO**" has the meaning set out in the preamble;
- (qq) "**McIntyre Brook Option Agreements**" means those certain option agreements, as assigned to the Corporation, in respect of the McIntyre Brook Property;
- (rr) "**McIntyre Brook Property**" means the mineral properties more particularly described in Schedule "A";
- (ss) "**Material Plan Overruns**" means all Work Costs which exceed more than 10% of those estimated for the fiscal year under an Approved Strategic Plan and Approved Budget which are not due to phasing of spend;
- (tt) "**Mining Operations**" means all exploration, development, construction, mining, milling, processing, treatment and related operations and activities conducted by or on behalf of the Corporation with respect to the Property under this Agreement;
- (uu) "**Net Income**" means the net income after taxation of the Corporation for any fiscal period calculated in accordance with the Accounting Procedures and generally accepted accounting principles, adjusted for non-cash items (i.e., depreciation, amortization, profit or loss on the sale of fixed assets and tax allowances);
- (vv) "**Offer**" has the meaning set out in section 8.1(c);
- (ww) "**Offered Interest**" has the meaning set out in section 8.1(c);
- (xx) "**Offeree**" has the meaning set out in section 11.3(a);
- (yy) "**Offeror**" has the meaning set out in section 11.3(a);
- (zz) "**Selling Shareholder**" has the meaning set out in section 8.1(c);
- (aaa) "**Operator**" means the Party acting as operator pursuant to this Agreement;
- (bbb) "**Ordinary Resolution**" means a resolution of Shareholders, either in writing or passed at a duly convened meeting of Shareholders, who together hold more than 50% of the issued and outstanding Common Shares of the Corporation;
- (ccc) "**Ore**" means all materials containing a mineral or minerals of commercial economic value extracted or derived from the Property;
- (ddd) "**Parties**" means collectively, the Corporation, Lode Gold SPIN CO, Fancamp and any other Person who becomes a Shareholder under the terms of this Agreement, and "**Party**" means any one of them;
- (eee) "**Person**" means an Individual, a firm, a corporation, a syndicate, a partnership, a trust, an association, a joint venture, an unincorporated organization and every other legal or business entity whatsoever;

- (fff) "**Plan Overruns**" means all Work Costs which exceed by less than 10% those estimated for the fiscal year under an Approved Strategic Plan and Approved Budget which are not due to phasing of spend;
- (ggg) "**Property**" means the Fancamp Property, the McIntyre Brook Property and such other mineral properties which may be acquired from time to time by the Corporation;
- (hhh) "**Proportionate Share**" of a Shareholder means, at the relevant time, as may be amended from time to time, the then fraction expressed as a percentage having as its numerator the number of Common Shares held by such Shareholder and as its denominator the aggregate number of Common Shares issued and outstanding to all Shareholders; as at the date of this Agreement, the Proportionate Share of each of the Shareholders is as follows:
- | | |
|-------------------|-----|
| Lode Gold SPIN CO | 50% |
| Fancamp | 50% |
- (iii) "**Remaining Shareholder**" has the meaning set out in section 6.4;
- (jjj) "**Selling Shareholder**" has the meaning set out in section 8.1(c);
- (kkk) "**Shareholders**" means any person holding Common Shares who are Parties to this Agreement or agree to be bound by its terms or their respective successors and permitted assigns under this Agreement (but excluding any Party which has transferred all its interest pursuant to this Agreement) and "**Shareholder**" means any of them;
- (lll) "**Shares**" has the meaning set out in the preamble;
- (mmm) "**Special Resolution**" means a resolution of Shareholders who together hold not less than two thirds of the issued and outstanding Common Shares of the Corporation, passed at a duly called meeting of Shareholders or by written resolution;
- (nnn) "**Strategic Plan**" means any program of Work in respect of the exploration, development or mining of the Property and the related Budget, including the Initial Strategic Plan, Second Strategic Plan and any Approved Strategic Plan, setting forth in reasonable detail the components or elements of the Work and the Mining Operations therein proposed during the period of time therein set forth, it being agreed that the word "Strategic Plan" may refer to either the Work or the documentation relating thereto, as the context of this Agreement may require;
- (ooo) "**Surrender**" has the meaning set out in section 5.2(n);
- (ppp) "**Surrender Notice**" has the meaning set out in section 5.2(n);
- (qqq) "**Surrender Property**" has the meaning set out in section 5.2(n);
- (rrr) "**Taxes**" means all taxes including all income, sales, use, goods and services, harmonized sales, social services, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, payroll, employer health, exercise, franchise, real property, and personal property taxes, and any other taxes, customs duties, fees, levies, imposts, and other assessments or similar charges in the nature of a tax including Canada Pension Plan, national pension plan contributions, and provincial pension plan contributions, employment insurance, and unemployment insurance payments and works'

compensation premium, together with any instalments with respect thereto, and any interest, fines, and penalties, in all cases imposed by any Governmental Authority in respect thereof and whether disputed or not;

- (sss) "**Third Party Offer**" has the meaning set out in section 8.1(c);
- (ttt) "**Transfer**" has the meaning set out in section 8.1(c);
- (uuu) "**Unexpected Expenditures**" means reasonable expenditures made by the Operator for unexpected events which are beyond its reasonable control;
- (vvv) "**Work**" means prospecting, exploration, development or other mining and Ore processing work performed exclusively on or directly in relation to the Property or any portion thereof; and
- (www) "**Work Costs**" means all costs reasonably incurred and monies reasonably expended by or on behalf of the Corporation or the Operator in doing Work after the date hereof pursuant to and in accordance with this Agreement and the then current approved Budget and Strategic Plan including, but not limited to, all costs incurred and monies expended, including "flow-through" eligible expenses, in: (i) doing geophysical, geochemical, land or geological examinations and surveys in searching for, digging, trenching, sampling, assaying, testing, working, developing, mining or extracting Ore, minerals and metals; (ii) doing diamond and other drilling; (iii) erecting and installing mining plant, Ore processing plant, ancillary Facilities, buildings, machinery, tools, appliances or equipment on or off the Property, as the case may be, and required for completing Work, on a proportionate basis if such Facilities, are used in conjunction with other mining properties; (iv) construction of access roads or similar access facilities required for access to the Property, whether on or off the Property, as the case may be; (v) transporting Ore, minerals, metals, personnel, supplies, mining or Ore processing plant, buildings, machinery, tools, appliances or equipment in, to or from the Property or elsewhere as is required; (vi) completing reclamation obligations; (vii) paying reasonable wages and salaries (including usual employee benefits, including holiday and sick pay, pension and health and reasonable bonuses other than performance bonuses of non-operational personnel) of personnel engaged in performing such Work, in proportion to the time spent by such personnel to perform Work; (viii) paying mandatory assessments or contributions under applicable worker's compensation, unemployment insurance, pension or other similar legislation or ordinances relating to such personnel in relation to the time frame in which such personnel perform Work; (ix) supplying necessary food, lodging and other reasonable needs for such personnel for the time frame in which they perform Work; (x) obtaining legal services directly relating to Work to be performed hereunder; (xi) preparing engineering, geological, financial or marketing studies and/or reports and Work related thereto; (xii) preparing a mining feasibility study and/or any reports supplementary thereto; and (xiii) all general overhead and administrative costs incurred by the Corporation or the Operator or its Affiliates as required to complete the Work, including any of the foregoing.

1.2 Statutes

Unless otherwise indicated, all references in this Agreement to statutes means such statutes as amended, re-enacted or replaced from time to time, and includes all regulations promulgated thereunder.

1.3 Accounting Principles

Any reference to GAAP includes the current accounting principles recommended by the Canadian Institute of Chartered Accountants in the "CICA Handbook" at the relevant time, or in the event that the matter is not covered in the CICA Handbook, principles having general acceptance among accounting professionals in Canada at the particular time. Accounting principles as they exist as of the date of this Agreement shall be consistently applied over the term of this Agreement unless otherwise required or recommended by the Canadian Institute of Chartered Accountants.

1.4 Entire Agreement

Except as otherwise set forth in the Investment Agreement, this Agreement and the other documents herein referred to constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersede all prior agreements between or among the Parties hereto with respect to their respective rights and obligations in respect of the Shares and the management and operation of the Corporation. No supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the Party or Parties to be bound thereby. No waiver of any provision of this Agreement shall be a waiver of any other provision of this Agreement nor shall any such waiver constitute a continuing waiver unless otherwise expressly provided.

1.5 Amendments

No variation or amendment of this Agreement shall be effective unless made in writing and approved by the Shareholders.

1.6 Rules of Interpretation

Words importing the singular number shall include the plural and vice versa and words importing the use of any gender shall include all genders. Headings used in this Agreement are for convenience of reference only and shall not constitute a part of this Agreement for any purpose including, without limitation, its interpretation. Expressions such as "**hereof**", "**hereunder**" and "**hereby**" shall be construed as referring to the entire Agreement and not only to the particular Section, subsection or clause in which they appear.

1.7 Governing Law

This Agreement shall be construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein and each of the Parties hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of such province.

1.8 Successors and Assigns

Except as otherwise provided herein, neither this Agreement nor any of the rights of any of the Shareholders hereunder may be assigned without the prior written consent of all other Shareholders first being obtained. Except as may otherwise be provided herein, all of the terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Parties hereto and their respective successors and permitted assigns.

1.9 Business Days

In the event that any act is required hereunder to be done, any notice is required hereunder to be given, or any period of time is to expire hereunder on any day that is not a Business Day, such act shall be required to be done or notice required to be given or time shall expire on the next succeeding Business Day.

1.10 Severability

The invalidity or unenforceability of any provision or part of any provision of this Agreement shall not affect the validity or enforceability of any other provision or part thereof, and any such invalid or unenforceable provision or part thereof shall be deemed to be separate, severable and distinct and no provision or part thereof shall be deemed dependent upon any other provision or part thereof unless expressly provided for herein.

1.11 Counterparts

This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.

1.12 Conflict

Subject to the provisions of the Act, in the event of any conflict between the provisions of this Agreement and the articles and by-laws of the Corporation, the provisions of this Agreement shall govern. In the event of any conflict between the provisions of this Agreement and articles and by-laws as aforesaid, the Shareholders of the Corporation shall take or cause to be taken such steps and proceedings as may be required under the Act or otherwise to amend the articles and by-laws to resolve such conflict so that the provisions of this Agreement shall at all times prevail to the maximum extent permitted by law.

1.13 Schedules

The following Schedules are attached to and incorporated in this Agreement by reference and are deemed to be a part hereof:

<i>Schedule</i>	<i>Title</i>
Schedule "A"	Property
Schedule "B"	Net Smelter Returns Royalty
Schedule "C"	Initial Strategic Plan
Schedule "D"	Dilution Formula Calculation

ARTICLE 2 CONDUCT OF THE AFFAIRS OF THE CORPORATION

2.1 Registered Office

The registered office of the Corporation shall be situated at [●] or such other address as may be approved from time to time by the Board.

2.2 Board

- (a) The Board shall consist of four (4) Directors. The number of Directors shall initially be fixed at four (4) Directors, to be comprised of two (2) nominees of Fancamp and two (2) nominees of Lode Gold SPIN CO.
- (b) So long as a Shareholder owns 20% or more of the Common Shares of the Corporation, it shall be entitled to have at two (2) nominees on the Board.

- (c) So long as a Shareholder owns 10% or more of the Common Shares of the Corporation, it shall be entitled to have at least one (1) nominee on the Board.
- (d) At such time when a Shareholder's Proportionate Share becomes less than 10% pursuant to the dilution provisions set out in Section 6.5(d) of this Agreement, such Shareholder shall not be entitled to any representation on or to appoint a representative to the Board.
- (e) The Operator shall appoint the Chairman.

2.3 Quorum

Subject to the Act, a quorum for a meeting of Directors shall be a majority of the current Directors, including at least one Director who is a nominee of the Party who is not the current Operator (the "**non-Operator**"). If at any meeting of Directors, a quorum is not present, then the meeting shall be adjourned for five (5) Business Days to be held at the same location (or by telephone, video conference or other means of electronic communication), and a notice shall be sent to each director informing them of the same, and quorum for the subsequent meeting shall be the Directors present at such subsequent meeting, provided however at least one of the non-Operator's nominees for director is present at such subsequent meeting. Notwithstanding the foregoing, if after two successive adjournments due to the non-attendance of the non-Operator's Board nominee, the meeting shall be adjourned for five (5) Business Days to be held at the same location (or by telephone, video conference or other means of electronic communication), and a notice shall be sent to each director informing them of the same, and quorum for the subsequent meeting shall be the Directors present at such subsequent meeting.

2.4 Decisions of Directors

- (a) Subject to subsections (b), in order to be effective, a decision of the Board must be approved either by a resolution passed by the affirmative vote of a simple majority of the Directors present at a meeting of Directors duly called and at which a quorum is present or by an instrument in writing signed by all the Directors. If the Directors are unable to resolve a deadlock on any decision requiring majority approval, the Chairman shall have a casting vote.
- (b) The following matters shall require unanimous approval of the Board:
 - (i) the engagement, entering into and/or execution of any agreement with respect to the engagement of any Affiliate or non-arm's length party of either of the Shareholders;
 - (ii) in accordance with Section 6.1, the annual Strategic Plans, the Second Strategic Plan and related Budgets;
 - (iii) any Material Plan Overruns to be funded by the Shareholders; and
 - (iv) incurring any expenses (other than as contemplated in the Approved Strategic Plan and Approved Budget) in excess of \$100,000.

Notwithstanding anything to the contrary, if the Directors are unable to reach unanimous agreement on any of the above matters and no Shareholder delivers a Deadlock Resolution Notice within the time frame set forth in Section 2.5, either Party may submit the matter to the arbitration procedure set forth in Article 9 for resolution.

2.5 Resolution of Deadlock

- (a) If :
- (i) the Directors are unable to resolve a deadlock on any decision requiring unanimous approval pursuant to subsections 2.4(b)(iii) or 2.4(b)(iv) for a period of thirty (30) days; or
 - (ii) if subject to Section 6.1, the Directors are unable to resolve a deadlock with respect to subsection 2.4(b)(ii) or a proposed annual Strategic Plan and related Budget are otherwise not approved by the Board by December 31st for two (2) consecutive years,
- either Shareholder may, within thirty (30) days, serve a Deadlock Resolution Notice on the other Shareholder. A Deadlock Resolution Notice may not be revoked.
- (b) The recipient of a Deadlock Resolution Notice may choose to do either of the following, at the price for each Share specified in the Deadlock Resolution Notice, by serving a counter-notice within thirty (30) days of receiving the Deadlock Resolution Notice:
- (i) buy all of the Shares in the Corporation of the server of the Deadlock Resolution Notice; or
 - (ii) sell all its Shares in the Corporation to the server of the Deadlock Resolution Notice.
- (c) If no counter-notice is served within the period of 30 days available, the recipient of the Deadlock Resolution Notice is deemed to have accepted the offer to sell all its Shares in the Corporation to the server of the Deadlock Resolution Notice at the expiry of that period.
- (d) The service of a counter-notice, or deemed acceptance of the Deadlock Resolution Notice, shall bind the Shareholders to buy and sell the Shares, as the case may be, on the terms and conditions of Article 10.
- (e) If each Shareholder serves a Deadlock Resolution Notice under Section 2.5(a), only the first Deadlock Resolution Notice to be served shall be effective.

2.6 Signing Authority

With respect to agreements, contracts, documents, cheques, and instruments arising in the ordinary course of the Corporation's business, any two Directors or officers of the Corporation may execute and deliver the same on behalf of the Corporation, or any one or more Persons as appointed by resolution of the Board. Notwithstanding the foregoing, any agreement, contract, document, cheque or instrument in excess of \$100,000 must be co-signed or approved by any two Directors or officers of the Corporation.

2.7 Indemnity

The Corporation will, whenever required or permitted by the Act or otherwise by law, indemnify each Director, each officer of the Corporation, each former Director, each former officer of the Corporation and each Individual who acts or acted at the Corporation's request as a Director or officer of a body corporate of which the Corporation is or was a shareholder or creditor, and his or her heirs and legal representatives (each an "**Indemnitee**") against all costs, charges and expenses, including, without limitation, each amount paid to settle an action or satisfy a judgment, reasonably incurred by him or her in

respect of any civil, criminal or administrative action or proceeding to which he or she is made a party by reason of being or having been a director or officer of the Corporation or such body corporate if:

- (i) he or she acted honestly and in good faith with a view to the best interests of the Corporation or such body corporate; and
- (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he or she had reasonable grounds for believing that his or her conduct was lawful.

The Corporation will advance funds to an Indemnitee for the costs, charges and expenses referred to in this Section 2.6. Any Indemnitee receiving advancement of funds under this Section will repay such funds if the Indemnitee does not fulfill the conditions contained in this Section 2.6. In making a determination with respect to entitlement to indemnification of any Indemnitee under this section, the entity making such determination will presume the Indemnitee is entitled to indemnification. The Indemnitee must be judged by a court of competent jurisdiction to have committed a fault or omitted to do something that the Indemnitee ought to have done before any determination may be made that the Indemnitee is not entitled to indemnification. Indemnites are presumed to have acted honestly and in good faith, and in the absence of a judgment of a court to the contrary, are presumed to be entitled to indemnification. The intention of this section is that all persons referred to in this section will have all benefits provided under the indemnification provisions of the Act to the fullest extent permitted by law, and the Corporation will forthwith pass all resolutions and take any other steps as may be required to give full effect to this section.

2.8 Term of Office

The term of office of a Director shall commence on the date of that Individual's election to the Board and shall terminate on the date on which the Shareholders replace the Director.

2.9 Officers

The Board shall appoint from time to time such officers of the Corporation as determined by vote of the Board, subject to Applicable Laws. All such officers shall have the duties and responsibilities prescribed by the Board.

2.10 Meetings of Shareholders

- (a) Each Shareholder shall be entitled to receive notice of and to attend all meetings of Shareholders.
- (b) Unless otherwise expressly stated in this Agreement or as provided by Applicable Laws, all matters or questions requiring action, decision or consent of the Shareholders shall be determined by Ordinary Resolution of the Shareholders.
- (c) The quorum for the transaction of business at any meeting of the Shareholders of the Corporation shall be two (2) or more Persons present in person or by proxy representing more than fifty percent (50%) of the issued and outstanding Common Shares, provided that at least one representative of the non-Operator as a shareholder is present. No meeting shall continue with the transaction of business in the absence of a quorum. At least ten (10) days prior written notice shall be given with respect to the calling of each meeting of the Shareholders unless the giving of such notice is waived by each Shareholder not present or represented at the meeting. Such notice of meeting shall set out in reasonable detail the business to be considered at such meeting.

- (d) Meetings of the Shareholders of the Corporation may be held by telephone or other electronic means, and all Shareholder resolutions, including Ordinary and Special Resolutions, may be signed by original, e-mail or facsimile signature, all of which when taken together shall constitute one and the same document.

2.11 Carry out of the Agreement

Each Shareholder, whether before or after the execution of the Agreement, shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably necessary or desirable to effect the complete consummation of the transactions contemplated by this Agreement.

2.12 Special Consent

In addition to any other approval required by the Act or any other Applicable Laws, the Corporation may not, and will ensure that its subsidiaries do not, make a decision about, take action on or implement, and no resolution may be enforced or acted upon by the Board or any director or officer of the Corporation or its subsidiaries, nor any action taken by the Board as a board, relating to any of the following matters without unanimous approval of all Shareholders:

- (a) amending, replacing or superseding the articles or by-laws of the Corporation, except to resolve any conflict in favour of this Agreement;
- (b) taking any steps to amalgamate, merge, consolidate, or enter into an arrangement or other corporate reorganization or similar transaction, or complete a business combination, take-over bid, share exchange, conversion or similar transaction or to continue the Corporation into any other jurisdiction;
- (c) (i) acknowledging the insolvency of the Corporation or any of its subsidiaries or the inability of the Corporation or any of its subsidiaries to pay its debts as they become due; (ii) making an assignment for the benefit of the creditors of the Corporation; (iii) appointing or allowing the appointment of any receiver, receiver-manager, trustee, liquidator or other Person acting in a similar capacity in respect of the Corporation or any of its Assets (including its subsidiaries and their respective assets); (iv) instituting any proceeding seeking to have the Corporation or any of its subsidiaries adjudicated a bankrupt or insolvent; or (v) taking any action or instituting any proceeding for the purpose of, or leading to, the liquidation, dissolution, winding-up, reorganization, arrangement, adjustment, protection, relief or composition of the Corporation or any of its subsidiaries or their respective debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors;
- (d) purchasing, redeeming or acquiring any shares or other securities of the Corporation;
- (e) issuing additional Common Shares except as required pursuant to the terms of this Agreement;
- (f) purchasing or otherwise acquiring any securities or other ownership, equity or proprietary interests in any other Person;
- (g) amendments to the rights, terms or conditions attaching to any issued or unissued shares of the Corporation;

- (h) entering into any contract or transaction with any Shareholder, or any Affiliate of any Shareholder (except as contemplated or permitted pursuant to this Agreement);
- (i) entering into a joint venture or similar arrangement with any other Person;
- (j) changing fundamentally the nature of the Business of the Corporation;
- (k) abandoning or surrendering any material properties of the Corporation;
- (l) changing the fiscal year end of the Corporation;
- (m) amending this Agreement;
- (n) incurring any indebtedness in excess of \$100,000;
- (o) issuing any loan, guarantee or similar instrument for the obligations of any third party or enter into any agreement for the same;
- (p) initiating or settling any litigation or arbitration in respect of the Corporation;
- (q) entering into any a material agreement not expressly provided in an Approved Strategic Plan;
- (r) liquidating or winding up the Corporation; and
- (s) permitting any of its subsidiaries to do any of the foregoing.

2.13 Fiscal Year

The fiscal year of the Corporation shall end on December 31st in each year.

2.14 Relationship

- (a) The Shareholders expressly disclaim any intention to create a partnership or joint venture and nothing in this Agreement shall constitute the Shareholders partners or joint venturers or constitute any Shareholder the agent of any other.
- (b) No Shareholder shall have, or represent that it has, the authority or power to act for or to undertake or create any obligation or responsibility, express or implied, on behalf of, or in the name of, any other Shareholder or shall be, or represent that it is the agent or legal representative of any other Shareholder, except as otherwise specifically provided in this Agreement or other written agreement executed by the Shareholders.

ARTICLE 3 OPERATIONS AND FINANCING OF THE CORPORATION

3.1 Restriction on Business

The business of the Corporation shall be restricted to the Business unless the Shareholders agree by Special Resolution otherwise.

3.2 Maintain Books

The Corporation shall maintain accurate and complete books and records of all transactions, receipts, expenses, Assets and liabilities in accordance with generally accepted accounting principles, consistently applied as approved and adopted by the Board.

3.3 Financial Statements

The Corporation shall provide to its Shareholders as soon as practicable and in any event within 60 days after the end of each quarter, unaudited financial statements of the Corporation consisting of a balance sheet and a statement of income as at the end of the quarter. As soon as practicable and in any event within 120 days after each fiscal year, the Corporation shall provide to its Shareholders audited annual financial statements of the Corporation.

ARTICLE 4 OPERATOR

4.1 Appointment of Operator

Subject to the right of the Board to change or appoint the Operator and to the Board's general direction and control, Fancamp will act as the initial Operator under this Agreement with respect to the Property commencing on the Effective Date. The Party acting as Operator may resign as Operator at any time by giving 120 days' prior written notice to the other Party and within such 120-day period the Board shall appoint the other Party to act as the Operator upon the terms set out in this Agreement.

4.2 Failure to Perform

If after the Effective Date the Operator fails to perform in a manner consistent with its powers and duties under this Agreement, then any Party may give to the Operator written notice setting forth particulars of the Operator's default. The Operator shall within 30 days of receipt of such notice either dispute the occurrence of such default or commence to remedy the default within the time limit aforesaid (and thereafter, in the latter case, shall proceed continuously and diligently to complete all required remedial action). The Operator may take action to remedy an alleged default without prejudice to its right to dispute the occurrence of the default and to claim recovery of expenses incurred in remedial work not occasioned by its default. If the Operator disputes any alleged default or if the Party alleging a default gives to the Operator a further written notice that the Operator has failed to proceed continuously and diligently to complete all required remedial action to remedy a default previously alleged by such Party, then the matter shall be referred to arbitration under Article 9 of this Agreement.

4.3 Resignation of Operator

If after the Effective Date one of the following events occurs, the Operator shall immediately cease to be Operator:

- (a) the Operator becomes bankrupt or insolvent or makes an assignment for the benefit of creditors;
- (b) the Operator defaults in its duties and obligations or any of them hereunder and does not commence to rectify such material default within thirty (30) days after written notice from the other Shareholder specifying the default and requiring the Operator to remedy the same or cease to be the Operator;

- (c) a judgment or decree or order for relief is rendered affecting a substantial part of the Operator's assets by a court of competent jurisdiction under any bankruptcy, insolvency or similar legislation; or
- (d) the Operator's Proportionate Share is diluted to less than 50%.

4.4 Change of Operator

- (a) If the Operator resigns or otherwise ceases to be the Operator in accordance with Section 4.3, the other Shareholder shall have the right to elect to become the Operator or to appoint an Operator, failing which the Board may appoint an Operator in writing within sixty (60) days of the date the former Operator ceased to be Operator, pursuant to terms and conditions which are not in any way in conflict with the provisions hereof.
- (b) If the Operator resigns or otherwise ceases to be Operator, such Operator shall forthwith turn over, transfer and deliver to the new Operator control and possession of the Property and Assets, all documents, books, records and accounts pertaining to the performance of its functions as Operator, together with all monies held by it in its capacity as Operator. Upon such transfer and delivery the former Operator shall be released and discharged from, and the new Operator shall assume, all duties and obligations of an Operator save and except for the unsatisfied duties and obligations of the former Operator accrued or existing prior to the effective date of the change of Operator and for which the former Operator shall, notwithstanding its release or discharge, continue to remain liable.
- (c) In the event that an Operator resigns or otherwise ceases to be Operator and a new Operator is not appointed in accordance with Section 4.4(a), any Work and Mining Operations shall immediately cease until the Board appoints a new Operator.
- (d) Upon the resignation or removal of an Operator hereunder, an audit of the records of the former Operator with respect to Mining Operations conducted under this Agreement shall be made at the expense of the Corporation at the option of any Shareholder and shall commence within thirty (30) days of such resignation or removal.

ARTICLE 5 POWER AND AUTHORITY OF OPERATOR

5.1 Authority of Operator

After the Effective Date and subject to the control and direction of the Board, the Operator shall have full right, power and authority to do everything necessary or desirable in accordance with good mining practice in connection with the exploration and development of the Property, including and without limiting the generality of the foregoing, the right, power and authority to:

- (a) implement the Approved Strategic Plans and the decisions of the Board;
- (b) regulate access to the Property subject to the right of the Shareholders to have reasonable access to the Property at all times;
- (c) employ and engage such employees, agents, and independent contractors (collectively, the "**Agents**") as it may consider necessary or advisable to carry out its duties and obligations hereunder and in this connection to delegate any of its powers and rights to perform its duties and obligations hereunder, *provided that* (i) the Operator shall make reasonable efforts to obtain a minimum of three (3) requests for proposals with respect to the

engagement of any contractor or supplier and selects the lowest proposal if expertise is parity; and (ii) the Operator does not enter into contractual relationships with an Affiliate or non-arm's length party unless unanimous Board approval is obtained pursuant to Section 2.4(b)(i). The Operator shall be and remains liable to the other Party during the term of this Agreement for any acts or omissions of the Agents; and

- (d) charge the Corporation the aggregate incremental management fees of the following percentage of the Work Costs:

Work Costs incurred	Incremental Management Fees Charged
On the first \$2,500,000	10%
From \$2,500,000 to \$5,000,000	7.5%
From \$5,000,000 to \$ 10,000,000	5%
\$10,000,000 and over	2.5%

For illustrative purposes, if the Work Costs incurred represent an amount of \$3,000,000, the Operator will charge the Corporation an aggregate management fee of \$287,500 (i.e, 10% of \$2,500,000) + (7.5% of \$500,000) (\$500,000, being the excess between \$3,000,000 and \$2,500,000). At the time the Corporation is going into development and/or production, the Parties shall agree on a revised sliding scale, acting reasonably.

5.2 Duties and Obligations of Operator

The Operator shall have such duties and obligations as the Board may from time to time determine including, without limiting the generality of the foregoing, the following duties and obligations:

- (a) prepare and present to the Board the first initial draft Strategic Plans and associated Budgets in respect of the Property by no later than October 15th of each year to allow for 45 days of review and at least three rounds of revisions based on the Board's review, for approval by the Board by November 30th of each year;
- (b) to maintain the Property in good standing and record for assessment credits;
- (c) to manage, direct and control all exploration, development and producing operations in and under the Property, in a careful, prudent and workmanlike manner, and in compliance with all Applicable Laws, rules, orders and regulations including, without limitation, those relating to reclamation and environmental protection;
- (d) to review any offers to purchase or acquire mineral properties from third party sellers or to consider opportunities to acquire mineral properties and to bring any recommendations regarding potential acquisitions of mineral properties to the Board for their consideration, provided the Shareholders unanimously approve any such acquisition or purchase;

- (e) to apply for all permits, licenses and approvals necessary to conduct the exploration, development and producing operations in and under the Property and to notify promptly the Board of any potential material breach of the foregoing;
- (f) no later than fifteen (15) days into a new quarter, the Operator shall present an update of the Approved Strategic Plan and Approved Budget of the previous quarter. This is an update regarding Budget, latest estimate, accrued and actual expenses;
- (g) the Approved Strategic Plan and Approved Budget shall be reviewed quarterly by the Operator and the Board no later than the fifteenth day into a new quarter. If any pivots are to be made based on results and/or findings from the previous quarter, changes are to be presented to the Board and will require majority Board approval provided they do not exceed the Approved Budget plus Plan Overruns, otherwise, any changes will require unanimous Board approval. For clarity purposes, Work Costs in excess of those estimated for a quarter that do not require the Approved Budget to be increased are not subject to approval by the Board. The Operator shall also provide the Board with an update regarding Budget, latest estimate, accrued and actual expenses;
- (h) no later than fifteen (15) days into a month, the Operator shall present a summary monthly update in respect of the Approved Strategic Plan, including by providing an update on the implementation of the Approved Strategic Plan, on exploration activities and by providing any other relevant information;
- (i) to prepare comprehensive annual reports on or before April 30th each year covering the activities hereunder and results obtained during the calendar year ending on December 31st immediately preceding and timely current reports and information on any material results obtained together with such other reports as any Shareholder may reasonably request;
- (j) on or before the first week of each fiscal quarter, provide any recommendations to the Board to alter any Approved Strategic Plan and Approved Budget, if any;
- (k) to pay all Costs properly incurred hereunder and all Material Cost Overruns as and when due, and to account to the Shareholders for all contributions to Costs and to use all reasonable efforts to limit or curtail Material Plan Overruns;
- (l) to maintain true and correct books, accounts and records of operations hereunder in accordance with generally accepted accounting principles, applied consistently from year to year;
- (m) maintain a database updated at least monthly to be provided concurrently to management of the Corporation and the Board and to permit the Shareholders, at their own expense, to inspect, have access to, take abstracts from or audit all maps, drill logs, core tests, reports, surveys, assays, analyses, production reports, operations, technical, accounting and financial records, including any or all of the records and accounts referred to in Section 5.2(l) that have been prepared exclusively in respect of operations hereunder and all other relevant mining related information in respect of operations, including field updates, during normal business hours;
- (n) to provide sixty (60) days' advance written notice to the original owner of the affected Property (the "**Surrender Notice**"), should the Operator elect to permanently surrender, abandon, relinquish or let lapse or expire (collectively, "**Surrender**"), any portion of a Property or rights related thereto (collectively, the "**Surrendered Property**"), to provide

such original owner with the opportunity to acquire the Surrendered Property for no consideration, on an "as is, where is" basis. If further to the sixty (60) days' period, the original owner has elected not to acquire the Surrendered Property or has failed to respond to the Surrender Notice, the Operator shall provide thirty (30) days' advance written notice to the other Party to purchase the Surrendered Property. In the event that a payment is due on any part of the Surrendered Property in order to maintain such Surrendered Property in good standing, within such ninety (90) day period, then the Corporation shall assume responsibility for making such payment;

- (o) to obtain and maintain, or cause any contractor engaged hereunder to obtain and maintain, during any period in which active work is carried out hereunder, adequate insurance coverage with a bodily injury, death, environmental and property damage limit of not less than \$1,000,000 per occurrence;
- (p) to permit the Shareholders or their representatives so appointed, at their own expense and risk, access to the Property and all data derived exclusively from carrying out work thereon;
- (q) to arrange for and maintain workers' compensation or equivalent coverage for all eligible employees engaged by the Operator in accordance with local statutory requirements;
- (r) to pay, on the direction of the Board, any Net Smelter Returns Royalty due to a Party thereunder;
- (s) to perform its duties and obligations in a manner consistent with good exploration and mining practices; and
- (t) to transact, undertake and perform all transactions, contracts, employments, purchases, operations, negotiations with third parties and any other matter or thing undertaken on behalf of the Corporation in accordance with the terms of this Agreement.

ARTICLE 6 PLANS AND SHAREHOLDER CONTRIBUTIONS

6.1 Plans and Budgets

- (a) Attached as Schedule "C" hereof is the Initial Strategic Plan and its related Budget, as approved by the Board and agreed to by the Shareholders. The Initial Strategic Plan shall have a completion date of May 31, 2025. The Budget for the Initial Strategic Plan shall be \$1,806,450, which shall include certain reimbursements to Lode Gold and Fancamp and options payments in respect of the McIntyre Brook Property as more particularly set forth in Schedule "C" hereto. The Budget for the Initial Strategic Plan shall be funded as set out in the Investment Agreement.
- (b) The Operator shall submit to the Board for approval a proposed Strategic Plan and draft Budget by March 15, 2025 with respect to the period between June 2025 and December 2025 (the "**Second Strategic Plan**"). The Second Strategic Plan and related Budget must be approved by the Board no later than April 30, 2025.
- (c) Except as otherwise provided in Section 6.2 of this Agreement, Mining Operations shall be conducted and Work Costs shall be incurred only pursuant to Approved Strategic Plans and Approved Budgets. By October 15, 2025 and for each calendar year thereafter, the Operator shall submit to the Board for approval the proposed Strategic Plan and related Budget for

the subsequent fiscal year. Each annual Strategic Plan and Budget must be approved by the Board no later than November 30 of each calendar year.

- (d) If a proposed Strategic Plan (including the Second Strategic Plan) and related Budget are not approved by the Board by December 31 of any given calendar year (or May 31, 2025 in respect of the Second Strategic Plan), the Operator may continue operations, but shall only expend up to a maximum of 50% of the most recently Approved Budget (the “**Reduced Spend**”) for a fiscal year.
- (e) If a proposed Strategic Plan and related Budget are not approved by the Board for two consecutive years, each Shareholder shall have the right to deliver a Deadlock Resolution Notice in accordance with Section 2.5. If no Shareholder delivers a Deadlock Resolution Notice within the time frame set forth in Section 2.5, the proposed Strategic Plan and related Budget presented by the Operator shall be considered approved. For greater certainty, the 6 month period in respect of the Second Strategic Plan shall be treated as a year in determining the two consecutive year period in this section, if applicable.
- (f) During the term of the Agreement, the Operator shall forthwith present an Approved Strategic Plan and Approved Budget to the other Shareholder for its consideration. The other Shareholder shall, within fifteen (15) days of receipt of an Approved Strategic Plan and Approved Budget, give written notice to the Operator advising whether or not it will participate to the full extent of its Proportionate Share therein. Failure by a Shareholder to give such notice within such time shall be deemed to be an election not to participate in such Approved Strategic Plan. The Shareholders acknowledge and agree that Section 6.1(f) shall not apply to the Initial Strategic Plan.

6.2 Contributions to Annual Strategic Plans of Work and Budgets

- (a) A Shareholder may elect to contribute or not to any Strategic Plan. If the Shareholders elect to participate in any Strategic Plan, ongoing Work Costs shall be funded by the Shareholders in accordance with their respective Proportionate Shares and such contributions shall be made by way of Advances. If a Shareholder elects not to contribute to a Strategic Plan or fails to contribute to a Strategic Plan within the deadline set out under Section 6.3, such non-contributing Shareholder's Proportionate Share shall be diluted by the issuance from treasury of additional Common Shares to the contributing Shareholder or the transfer of the appropriate number of Common Shares from such non-contributing Shareholder to the contributing Shareholder in accordance with Section 6.4, provided that the contributing Shareholder contributes not less than the full amount of its Proportionate Share which it had originally elected to contribute in respect of the Strategic Plan.
- (b) The Operator shall immediately notify in writing the Board of any deviations or departures from an Approved Strategic Plan and Approved Budget. If the Work Costs exceed an Approved Budget, the Operator shall arrange to provide and shall bear for its own account the financing of the Material Plan Overruns, as applicable, unless such overruns are Approved Plan Overruns. Provided each Shareholder is funding its Proportionate Share of Work Costs, each Shareholder shall make a Proportionate Share cash contribution to the Corporation to cover any Approved Plan Overruns within ninety (90) days of delivery to such Shareholder by the Operator of written notice specifying the amount of cash contributions required from the Shareholders and evidence of approval by the Board.
- (c) The Shareholders acknowledge and agree that Section 6.2(a) shall not apply to the Initial Strategic Plan.

- (d) In case of emergency, the Operator may take any reasonable action it deems necessary to protect life, limb or property or to comply with Applicable Laws. The Operator may also incur Unexpected Expenditures as long as such Unexpected Expenditures do not result from a breach by the Operator of its standard of care set out in this Agreement. The Operator shall, in any event, promptly notify the Board of the emergency or Unexpected Expenditure. For greater certainty an Unexpected Expenditure shall not include a predetermined change in a Strategic Plan or Budget by the Operator for an amount greater than \$50,000. Such change must be submitted by the Operator to Board for pre-approval.

6.3 Timing of Contributions and Failure to Make Contributions

- (a) On the basis of Approved Strategic Plan and related Approved Budgets, the Operator shall submit to each Shareholder a bill for estimated Work Costs for the Approved Strategic Plan. Within thirty (30) days after receipt of each billing (by September 30, 2025 for the Second Strategic Plan), each Shareholder shall contribute in cash its Proportionate Share of the estimated amount required to fund Work Costs. The Operator shall promptly submit to each Shareholder billing for all other authorized Work Costs as they are incurred. All such cash contributions shall constitute Advances. The Operator shall at all times be entitled to maintain a cash balance approximately equal to the estimated disbursements for a period of up to the next three (3) months.
- (b) With respect to any proposed Strategic Plan and related Budget that are not approved by the Board by December 31 of any given calendar year (or May 31 in respect of the Second Strategic Plan), the Operator shall submit to each Shareholder a bill for the Reduced Spend and each Shareholder shall have ninety (90) days to contribute its Proportionate Share of the Reduced Spend.
- (c) Time is of the essence in payment of all such billings. The Corporation shall establish separate accounts for each Shareholder in respect of all Advances and Loans made by such Shareholder and shall credit all Advances or Loans to such accounts respectively.
- (d) Each Shareholder shall be responsible for arranging all financing required to fund its Proportionate Share of the Work Costs for any Strategic Plan in which it is participating. Each Shareholder shall be entitled to finance all or any portion of their contributions pursuant to this Section 6.3 by borrowing funds from third parties and shall be permitted to pledge, mortgage, charge, or otherwise encumber their Common Shares and their interest to third parties to secure such borrowings, provided such third parties agree in writing to be bound by the terms of this Agreement, to comply with any right of first refusal provided herein before selling, transferring, assigning or otherwise conveying or dealing with such Common Shares and to cause any purchaser, transferee or assignee of such Common Shares or Interest to agree in writing to be bound by the terms of this Agreement. Neither Shareholder shall be entitled to pledge or otherwise charge or encumber their Shares for any other purpose other than as provided under this Section 6.3(b).
- (e) If a Shareholder fails to make its contributions in respect of any Strategic Plan, including any Reduced Spend, and the other Shareholder makes its contribution for all or any part of a Strategic Plan (such contribution including, for greater certainty, both the contributing Shareholder's Proportionate Share and all or any part of the non-contributing Shareholder's Proportionate Share), the non-contributing Shareholder shall be deemed to be in default and its Interest shall immediately be diluted in accordance with the terms of Section 6.4.

- (f) The Shareholders acknowledge and agree that this Section 6.3 shall not apply to the costs associated with the Initial Strategic Plan.

6.4 Dilution

- (a) If a Dilution Event has occurred, the Interest of the non-contributing Shareholder shall be diluted and the Proportionate Share of each of the Shareholders shall be recalculated using the following formula:

$$\text{Percentage of Shares held by a Shareholder} = \frac{((A+B) \times 100)}{C}$$

Where:

A = deemed contribution of the Shareholder

B = Advances or Loans of the Shareholder

C = total deemed contributions, Advances and Loans of both Shareholders

The deemed contributions to the Corporation for the Shareholders as of the Effective Date are as follows:

Lode Gold SPIN CO \$750,000

Fancamp \$750,000

- (b) The diluted Shareholder's Interest in the Corporation shall be deemed to be diluted when the time for making a contribution in accordance with Section 6.3 has lapsed and the other Shareholder has made its contributions in full, and for greater certainty there shall be no period to cure any default in making a contribution if a contribution is not made when required in accordance with the terms of this Agreement.
- (c) Any dilution of a Shareholder's Interest in the Corporation may, at the election of the contributing Shareholder in its sole and absolute discretion, be implemented by the issuance of additional Common Shares of the Corporation to the contributing Shareholder or the transfer of Common Shares from the non-contributing Shareholder to the contributing Shareholder.
- (d) If as a result of adjustment pursuant to Section 6.4(a) or (b), a Shareholder's Interest in the Corporation is reduced to 10% or less, or if a Shareholder elects, or is deemed to have elected, not to participate up to its full Cost Share, the Interest of such Shareholder (the "**Fully Diluted Shareholder**") in the Corporation shall be deemed to be transferred to the other Shareholder (the "**Remaining Shareholder**") and thereafter the Fully Diluted Shareholder shall be deemed not to be a Shareholder but in consideration of such transfer shall be entitled to receive, and the Corporation shall pay to it a one percent (1%) Net Smelter Returns Royalty, determined and paid in accordance with the provisions of Schedule "B" hereto. Upon such transfer the Fully Diluted Shareholder will forthwith execute and deliver to the Remaining Shareholder all such documents as may, in the opinion of legal counsel for the Remaining Shareholder, be necessary to transfer to the Remaining Shareholder all Interest of the Fully Diluted Shareholder, subject to the right of the Fully Diluted Shareholder to receive the Net Smelter Returns Royalty. The Corporation

shall not transfer any of its interest in the Property without first causing the transferee to assume the Net Smelter Returns Royalty.

- (e) If the Interest of any Shareholder is converted to a Net Smelter Returns Royalty pursuant to Section 6.4(d), any decision thereafter to place the Property into Commercial Production shall be at the sole discretion of the Corporation and the Corporation shall be under no obligation and nothing in this Agreement shall be construed as creating an obligation upon the Corporation to place the Property into commercial production and if the Corporation commences the operation of the Property as a mine, the Corporation shall have the unfettered right to suspend or curtail any such operation from time to time as it in its sole discretion may deem advisable.
- (f) For greater certainty, attached as Schedule "D" hereto is a hypothetical working example of the above-noted dilution formula.

6.5 Subordinate and Postpone

The Shareholders shall subordinate and postpone all Loans to other borrowings of the Corporation required solely for financing the Mining Operations of the Corporation, to the extent unanimously required by the Board from time to time. No Shareholder shall be obligated to make any Loan to the Corporation other than as approved by the Board as set out in Section 6.2(a).

6.6 Distribution of Advances and Cash Flow

- (a) The Board shall cause (i) all Advances received by the Corporation to be paid to the Operator for use in Mining Operations; and (ii) the Corporation to deliver promptly to the Shareholders all net cash flow of the Corporation, subject to such amounts applied against expenses of the Corporation and reasonably determined by the Board to be required for working capital including reclamation and rehabilitation obligations.
- (b) The Net Income of the Corporation surplus to its needs shall be distributed pro rata to the Shareholders in accordance with their respective Proportionate Shares firstly, to the repayment of Loans pro rata to the Shareholders in accordance with their respective Proportionate Shares, secondly, to the repayment of other Advances, and thirdly, distributed pro rata to the Shareholders in accordance with their respective Proportionate Shares as a dividend or other distribution having the most favourable tax consequences to the Shareholders, as determined by the Board.

6.7 Conversion of Interest

In the event that either Shareholder becomes a Fully Diluted Shareholder in accordance with the terms of this Agreement, such Shareholder shall cause its nominees as officers, managers and directors of the Corporation to resign and the Board and the Shareholders shall cause the nominees of the remaining participating Shareholder to be appointed in the place of such resigned officers, managers and Directors. Upon a Shareholder becoming a Fully Diluted Shareholder in accordance with the terms of this Agreement, the rights of such Shareholder hereunder shall terminate.

6.8 Wind-up of Corporation

In the event of a winding up of the Corporation, the Assets of the Corporation shall, subject to Applicable Laws, be applied firstly, against all expenses and liabilities of the Corporation, secondly, to the repayments of Loans to the Shareholders pro rata in accordance with their respective Loans, thirdly, to the repayment of all other Advances to the Shareholders pro rata in accordance with their respective Advances,

and fourthly, distributed to the Shareholders pro rata in accordance with their respective Proportionate Shares.

ARTICLE 7 REPRESENTATIONS, WARRANTIES AND COVENANTS

7.1 Representations and Warranties of Shareholders

Each of the Shareholders represents and warrants to the other Parties that:

- (a) it is duly formed and validly existing under the laws of its jurisdiction of incorporation;
- (b) such Shareholder is the sole registered and beneficial owner of the Common Shares specified as being held by it in the Recitals to this Agreement, which Common Shares constitute, in the aggregate, all of the issued and outstanding Common Shares of the Corporation as at the date of this Agreement;
- (c) all Common Shares are held by such Shareholders free and clear of all claims, liens, mortgages, charges, pledges and encumbrances of any nature whatsoever and other than as contemplated in this Agreement, no Person has any agreement or any option or right capable of becoming an agreement for the purchase, subscription or issuance of any Common Shares;
- (d) except as contemplated in this Agreement and the Investment Agreement, there is no agreement, option or right capable of becoming an agreement for the purchase, subscription or issuance of any unissued securities in the capital of the Corporation, or the purchase, transfer or other disposition of such securities;
- (e) there are no suits or proceedings pending or threatened in any court or before any regulatory commission, board or other governmental administrative agency against or affecting it which will have a material adverse effect on its financial condition, business or ability to perform its obligations under this Agreement; and
- (f) the entering into of this Agreement has been duly authorized by all necessary corporate proceedings (if applicable) and constitutes a valid and binding obligation of such Party in accordance with its terms.

7.2 Confidentiality

The terms of this Agreement and all data and information provided to or received by the Parties with respect to this Agreement and the Property shall be treated as confidential and shall not be disclosed, without the prior written consent of the other Party to any other person, except as required by Applicable Laws. Such consent shall not be unreasonably withheld. Where disclosure is required by Applicable Laws, a copy of the information required to be disclosed including without limitation, any press release shall be provided to the non-disclosing Party in advance of such disclosure. No Party shall be liable to the other Party in respect of any interpretations, opinions, findings, conclusions or other non-factual information included by the Party in any report or other document provided to the receiving Party, whether included by negligence or otherwise. Each Party hereby indemnifies and saves harmless the other Party from and against all losses arising in respect of the release by it of such confidential information to any person in violation of this section.

7.3 Royalty

In the event that Lode Gold SPIN CO secures reduced net smelter returns royalty and buy-back terms on all, but not less than all, of the McIntyre Brook Property, Fancamp hereby agrees to proportionately reduce the net smelter returns royalty and buy-back terms in favour of Fancamp in respect of the Riley Brook Property. Fancamp further agrees not to sell, transfer, assign or otherwise dispose of any of its interest in its net smelter returns royalty for a period of 18 months from the Effective Date.

7.4 Survival

Except for changes in the ownership of Common Shares held by the Shareholders that are otherwise provided or permitted by this Agreement, the representations, warranties and covenants of the Parties contained in this Agreement shall survive the execution and delivery of this Agreement, shall remain true throughout the term of this Agreement, and shall be deemed to be continuing obligations of the Party making same.

ARTICLE 8 RESTRICTION ON TRANSFER

8.1 Right of First Refusal

- (a) Lode Gold SPIN CO may at any time after execution of this Agreement transfer all but not less than all of its Interest to a wholly-owned subsidiary of Lode Gold SPIN CO with sufficient expertise and financial strength to satisfy the obligations of the Operator pursuant to the terms of this Agreement or, subject to Section 8.1(c) below, to a third party (including any Affiliate that is not a wholly-owned subsidiary) that is a mining corporation with sufficient expertise and financial strength to satisfy the obligations of the Operator pursuant to the terms of this Agreement, provided Lode Gold SPIN CO provides Fancamp thirty (30) days' notice of such assignment and provided such wholly-owned subsidiary or third party shall agree in writing with Fancamp to be bound by the terms and conditions of this Agreement and to perform all obligations of Lode Gold SPIN CO hereunder. Notwithstanding an assignment by Lode Gold SPIN CO to a wholly-owned subsidiary, Lode Gold SPIN CO shall remain at all times liable for the due performance of all covenants and obligations of such wholly-owned subsidiary to be performed hereunder. If Lode Gold SPIN CO completes an assignment to a third party of its Interest in accordance with the terms of this Section 8.1(a) or its Interest has been transferred to the other Shareholder in accordance with the terms hereof, Lode Gold SPIN CO shall be released from its obligations under this Agreement.
- (b) Fancamp may at any time after execution of this Agreement transfer all but not less than all of its Interest to a wholly-owned subsidiary of Fancamp with sufficient expertise and financial strength to satisfy the obligations of the Operator pursuant to the terms of this Agreement or, subject to subsection 8.1(c) below, to a third party (including any Affiliate that is not a wholly-owned subsidiary) that is a mining corporation with sufficient expertise and financial strength to satisfy the obligations of the Operator pursuant to the terms of this Agreement, provided Fancamp provides Lode Gold SPIN CO thirty (30) days' notice of such assignment and provided such wholly-owned subsidiary or third party shall agree in writing with Lode Gold SPIN CO to be bound by the terms and conditions of this Agreement and to perform all obligations of Fancamp hereunder. Notwithstanding an assignment by Fancamp to a wholly-owned subsidiary, Fancamp shall remain at all times liable for the due performance of all covenants and obligations of such wholly-owned subsidiary to be performed hereunder. If Fancamp completes an assignment of its Interest to a third party in accordance with the terms of this Section 8.1(b) or its Interest has been

transferred to the other Shareholder in accordance with the terms hereof, Fancamp shall be released from its obligations under this Agreement.

- (c) Neither Shareholder shall transfer its Interest (other than a transfer by either Shareholder to a wholly-owned subsidiary under Section 8.1(a) or 8.1(b)) (a "**Transfer**") except as provided in this Section 8.1(c). If such Shareholder (a "**Selling Shareholder**") should desire to transfer to a third party all (but not less than all) of its Interest (the "**Offered Interest**"), it shall first have received an all cash bona fide written offer from an Arm's Length third party (the "**Third Party Offer**") which shall state the price and all other relevant terms and conditions upon which it wishes to complete the Transfer and the Selling Shareholder shall have delivered a copy of the Third Party Offer to the other Shareholder together with the Selling Shareholder's own offer to sell on the same terms and conditions (the "**Offer**"). The other Shareholder shall have thirty (30) days from the date the Offer is delivered to it, to notify the Selling Shareholder whether it elects to acquire the Offered Interest at the price and on the terms and conditions set forth in the Offer. If the other Shareholder does so elect to acquire the Offered Interest the Transfer shall be consummated promptly after notice of such election is delivered by the Selling Shareholder in accordance with the procedures set forth in Article 10. If the other Shareholder fails to so elect, within the period provided for in this section, the Selling Shareholder shall have sixty (60) days following the expiration of such period to consummate the Transfer to a third person at a price and on terms no less favourable than those offered in the Third Party Offer and in accordance with Sections 8.1(a) and 8.1(b) above. If the Selling Shareholder fails to consummate the Transfer to a third party within the period set forth in this section, the right of first refusal herein contained shall be deemed to be revived. If the Selling Shareholder completes the Transfer pursuant to this Section 8.1(c) the Selling Shareholder shall be released from all liabilities and obligations under this Agreement provided that the third party delivers to the other Shareholder an agreement in writing covenanting to be bound by this Agreement and the terms thereof. Notwithstanding the foregoing, a Shareholder may transfer its Interest to a third party with unanimous Board approval.

8.2 Restriction on Mortgages

- (a) Other than as provided in Section 6.3(b), no Shareholder shall mortgage, pledge, charge, hypothecate or otherwise encumber its Interest or any part thereof without the approval of the other Shareholder, and then only if the holder of the mortgage, pledge, charge, hypothecation or other encumbrance shall agree to be bound by the provisions of Sections 8.1 and 8.5 hereof and shall require any purchaser of the Interest from it to be bound by the terms of this Agreement.
- (b) Notwithstanding the provisions of Section 8.2(a) above, Lode Gold SPIN CO and Fancamp acknowledge and agree that each of Lode Gold SPIN CO and Fancamp shall be entitled to mortgage, pledge, hypothecate or otherwise encumber its Interest, or any part thereof, subject to any third party financing pursuant to Section 6.3(b) provided that the proceeds of such mortgage, charge, pledge or hypothec are applied by Lode Gold SPIN CO or Fancamp, as the case may be, to fund its participation in any Mining Operations pursuant to this Agreement and also provided, that the applicable Party complies with all of the conditions set out in Section 6.3(b).

8.3 Legend

All certificates representing Common Shares shall bear the following legend:

"The shares represented by this certificate are subject to the provisions of a unanimous shareholders' agreement made as of the _____ day _____ of _____, 2024, which contains restrictions on the right to transfer, pledge, vote and otherwise deal with such shares, a copy of which agreement is available for inspection from the Secretary of the Corporation. Notice of such restrictions and the other provisions of such agreement is hereby given."

8.4 Enforcement

The Corporation shall not accept for registration in its books of record any Transfer of Common Shares not made in accordance with the provisions of this Agreement and any Transfer of Common Shares attempted to be made other than in accordance with the provisions of this Agreement shall be void and of no effect.

8.5 Further Restrictions

Unless otherwise provided in this Agreement, no Shareholder shall be entitled to sell, transfer or otherwise dispose of its Interest or any part thereof or its right, title and interest in and to this or under this Agreement without first obtaining:

- (a) approval of the other Shareholder, which approval shall not be unreasonably withheld but may be withheld if such action would permit any other party to accelerate or demand the payment of any indebtedness of the Corporation; or
- (b) the consent of any other party, if such is required by any agreement by which the Corporation is bound or any licence held by the Corporation.

ARTICLE 9 DISPUTE RESOLUTION

9.1 Arbitration

- (a) Any dispute arising between the Parties in respect of the interpretation of this Agreement or any matter to be agreed upon hereunder will be submitted to a single arbitrator to be agreed upon by the Parties to that dispute, provided that if a single arbitrator cannot be agreed upon within ten (10) Business Days after the appointment of the single arbitrator has been requested in writing by one of the Parties, then the dispute will be referred to a board of three arbitrators, one to be appointed by each side to the dispute and a third arbitrator to be appointed by the first two named arbitrators in writing.
- (b) Any Party may, upon written notice to the others demand arbitration of any dispute hereunder.
- (c) No person will be appointed as an arbitrator hereunder unless such person agrees in writing to act. Upon appointment the arbitrator(s) will immediately proceed to hear and determine the dispute.
- (d) The award of the arbitrator(s) will be made within 45 days after his (their) appointment subject to any reasonable delay due to unforeseen circumstances. The award of the arbitrator(s) will be in writing and signed by the arbitrator(s) and will be final and binding upon the Parties who will abide by the award.

- (e) The provisions of this Section will be deemed to be a submission to arbitration within the provisions of the *Arbitration Act* (British Columbia).

ARTICLE 10 GENERAL SALE PROVISIONS

10.1 Application of Sale Provisions

- (a) Except as may otherwise be expressly provided in this Agreement, the provisions of this Article 10 will apply to any sale of Shares between Shareholders, and any sale of Shares between a Shareholder and the Corporation, under this Agreement.
- (b) In this Article 10:
- (i) **“Buyer”** means a Party that is buying Shares from another Shareholder;
 - (ii) **“Closing Time”** means the time on the date established under the terms of this Agreement upon which a closing of a sale of Shares by a Seller will occur;
 - (iii) **“Purchase Price”** means the price at which the Shares being sold by a Seller are to be bought;
 - (iv) **“Purchased Shares”** means the Shares that a Seller is selling;
 - (v) **“Sale Transaction”** means the sale by the Seller and the purchase by the Buyer of the Shares of a Shareholder; and
 - (vi) **“Seller”** means a Shareholder who is selling Shares.

10.2 Obligations of Seller

At or before the Closing Time, the Seller will:

- (a) transfer to the Buyer the Purchased Shares and deliver each share certificate or other document representing the Purchased Shares duly endorsed for transfer to each Buyer or as directed by it;
- (b) do all other things required to deliver good and marketable title to the Purchased Shares to the Buyer free and clear of any liens or encumbrances;
- (c) deliver to the Corporation and the Buyer all necessary documents, which will be in form and substance satisfactory to the Buyer’s legal counsel, required to transfer any Loan being purchased by the Buyer under the terms of this Agreement;
- (d) deliver to the Corporation any required signed resignations of the Seller and his, her or its nominees, if any, as Directors, officers and employees of the Corporation, as the case may be;
- (e) deliver to the Corporation releases, in form and substance satisfactory to the Corporation’s legal counsel, by the Seller and his, her or its nominees, if any, of all of his, her or its claims against the Corporation and its Directors, officers, remaining Shareholders, employees or creditors of the Corporation, with respect to any matter or thing up to and including the Closing Time, except for any claims which might arise out

of the Sale Transaction, or with respect to the indemnification obligations contemplated by Section 2.7;

- (f) deliver to the remaining Shareholder discharges of any existing liens and encumbrances, if applicable; and
- (g) either provide evidence reasonably satisfactory to the Buyer that the Seller is not then a non-resident of Canada within the meaning of the *Income Tax Act* (Canada) or provide the Buyer with a certificate under section 116(2) of the *Income Tax Act* (Canada) with a certificate limit in an amount not less than the Purchase Price for the Purchased Shares.

10.3 Payment of Purchase Price

Unless otherwise agreed in the Sale Transaction and permitted by this Agreement, the Buyer:

- (a) may set off against the Purchase Price any amounts owing to such Buyer by the Seller;
- (b) will deduct from the Purchase Price any Loan owing by the Seller to the Corporation, and remit the amount deducted to the Corporation to be applied to the amount owing by the Seller to the Corporation; and
- (c) will pay the Purchase Price owing, less any amounts deducted as set out in this Section 10.3, in full by cash, bank draft or electronic transfer of funds at the Closing Time.

10.4 Non-Compliance with Conditions

If, at the Closing Time, the Purchased Shares are not free and clear of all liens and encumbrances, or evidence of a discharge of liens and encumbrances referred to in Section 10.2(f) is not provided, the Buyer may, without prejudice to any other rights which the Buyer may have, purchase the Purchased Shares subject to those liens or encumbrances or in the absence of that evidence, and, in that event, the Buyer will, at the Closing Time:

- (a) assume all obligations and liabilities with respect to those liens or encumbrances; and
- (b) pay any Tax required under section 116 of the *Income Tax Act* (Canada), as the case may be,

and in each case the Purchase Price payable by each Buyer for the Purchased Shares will be satisfied, in whole or in part, as the case may be, by that assumption or payment, and the amount so assumed or paid will be deducted from the Purchase Price payable at the Closing Time.

10.5 Non-Completion by Seller

- (a) If, at the Closing Time, the Seller fails to complete the Sale Transaction, the Buyer will have the right, if not in default under this Agreement, without prejudice to any other rights which such Buyer may have, to pay the Purchase Price payable by such Buyer to the Seller at the Closing Time by depositing that amount to the credit of the Seller in the main branch of the Corporation's bank in the Province of British Columbia. That deposit will constitute valid and effective payment of the Purchase Price to the Seller despite any action the Seller may have taken to Transfer or grant a lien on the Purchased Shares. If the Purchase Price has been so paid, then from and after the date of deposit, the Sale Transaction will be deemed to have been fully completed and all right, title, benefit and

interest, both at law and in equity, to the Purchased Shares will conclusively be deemed to have been Transferred to and become vested in the Buyer, and all right, title, benefit and interest, both at law and in equity, in and to the Purchased Shares of the Seller or of any transferee or assignee of the Seller will cease. The Buyer will also have the right to execute and deliver, on behalf of and in the name of the Seller, all deeds, transfers, share certificates, resignations and other documents that may be necessary to complete the Sale Transaction, and the Seller, irrevocably appoints any Shareholder who becomes a Buyer in a Sale Transaction to be the Seller's attorney for that purpose. The power of attorney granted by this Section 10.5 is a power coupled with an interest and cannot be revoked.

- (b) The irrevocable power of attorney granted in Section 10.5 by a Shareholder who is a natural Person will not be revoked by the death of that Shareholder, and is not intended to be an enduring power of attorney within the meaning of and governed by the *Power of Attorney Act* (British Columbia) or any similar power of attorney under equivalent legislation in any of the provinces or territories of Canada (a "CPOA"). The execution of this Agreement will not terminate any CPOA granted by that Shareholder previously and the power of attorney granted in Section 10.5 will not be terminated by the future execution by that Shareholder of a CPOA.
- (c) The Seller will be entitled to receive the amount deposited under Section 10.5 on delivery to the Buyer of the documents referred to in Section 10.2 and in compliance with all other provisions of this Agreement.

10.6 Non-Completion by Buyer

In addition to and without limiting any remedy that may be available to each Seller under this Agreement, at law or in equity, if a Buyer defaults in the performance of his, her or its obligation to complete the Sale Transaction, the Seller may, at his, her or its option, by notice in writing to the Buyer, terminate all his, her or its obligations relating to the Sale Transaction and, upon the giving of that notice under this Section 10.6, those obligations will be terminated without prejudice to the continued effectiveness of this Agreement.

10.7 Consents

The Parties acknowledge that the completion of any Sale Transaction will be subject to the receipt of all necessary consents and approvals, if any, to the Transfer of Shares contemplated by the Sale Transaction from all relevant Governmental Authorities.

ARTICLE 11 GENERAL CONTRACT PROVISIONS

11.1 Unanimous Shareholder Agreement

Each of the Parties hereby acknowledges and agrees that this Agreement is intended to operate and be construed as a unanimous shareholder agreement within the meaning of the Act.

11.2 Notices

All notices, reports or other communications required or permitted by this Agreement shall be deemed to have been properly given and delivered when delivered by personal delivery, registered mail or email, with all delivery charges fully prepaid and addressed to the Parties, respectively, as follows:

To Lode Gold SPIN CO:

100 King St. West, Suite 5700,
Toronto, Ontario, M5X 1C7, Canada

Attention: Wendy T. Chan, Chief Executive Officer and Director
email: [redacted]

With a copy, which shall not constitute notice, to:

DuMoulin Black LLP
1111 West Hastings Street, 15th Floor
Vancouver, BC, V6E 2J3

Attention: Justin Kates
email: jkates@dumoulinblack.com

To Fancamp:

7290 Gray Avenue
Burnaby, British Columbia
V5J 3Z2

Attention: Rajesh Sharma, President and Chief Executive Officer
email: [redacted]

With a copy, which shall not constitute notice, to:

Lavery, de Billy, L.L.P.
1 Place Ville Marie, 40th floor
Montreal, Quebec H3B 4M4

Attention: Sebastien Vézina
email: svezina@lavery.ca

11.3 Independent Legal Advice

Each of the Parties hereto acknowledges that it was advised to seek independent legal advice in connection with this Agreement and has had the opportunity to do so.

Area of Interest

- a) Each Shareholder hereby covenants and agrees with the other that if it, or any Affiliate (an "**Offeror**") acquires, directly or indirectly or pursuant to any third party agreement, any form of interest in minerals located wholly or in part within the Area of Interest, the Offeror will promptly offer to the Corporation (the "**Offeree**") by notice in writing to the Offeree setting out the nature of such mineral interest and including all information known by the Offeror about such mineral interest, the Offeror's acquisition costs and all other details relating thereto and if, within 60 days from the date of the receipt of such notice, the Offeree accepts such mineral interest by notice in writing to the Offeror and pays to the Offeror a portion of the Offeror's acquisition costs as set out in such notice equal to the Offeree's Interest in the Corporation as of the date of this Agreement, such mineral interest will

become part of the Property and any acquisition costs so paid will form part of that Shareholder's Costs.

- (b) Each Shareholder hereby covenants and agrees with the other to use its best efforts in any acquisition agreement under which it acquires any interest in minerals within the Area of Interest to acquire a 100% undivided interest in such minerals subject only to royalty interests in favour of the property vendor and financial provisions contemplating the use of one processing facility for ores derived from the various properties in the Area of Interest and to obtain unencumbered rights to assign an interest in any such agreement and the mineral rights related thereto pursuant to the provisions of this Agreement.

11.4 Time of the Essence and Force Majeure

- (a) Time shall be of the essence of this Agreement, provided, however, that the time or times within which any right or obligation hereunder may be exercised or any payment made or Work Costs incurred shall be extended by a period of time equal to all periods of time during which the Parties or their respective representatives, agents, contractors or employees are prevented from doing any Work or performing any obligation hereunder by reason of any event beyond the reasonable control of the Party asserting such event of force majeure or its representatives, agents, contractors or employees, which events shall include but shall not be limited to fire; strike, lockout or other labour dispute; inability to arrange access to the Property; inability to arrange or unavailability of any transportation services, facilities or equipment; wars, riots or civil disorders; Acts of God; pandemic, governmental, whether federal, provincial, state, territorial or municipal, laws, regulations or requirements; or any other cause beyond the reasonable control of the Parties or their respective representatives, agents, contractors or employees. The settling of labour disputes shall for the purposes of this section be deemed to be beyond the control of the Parties and their respective representatives, agents, contractors or employees and nothing herein contained shall place any obligation upon them to settle any labour dispute. Lack or insufficiency of funds shall not be an event of force majeure.
- (b) In the event that any Party asserts that an event of force majeure has occurred, it shall give notice in writing to the other Parties specifying the following:
 - (i) the cause and nature of the alleged event of force majeure;
 - (ii) a summary of the action it or its representatives, agents, contractors or employees have taken to the date of such notice to correct the alleged event of force majeure;
 - (iii) confirmation as to all acts, actions and things done by it or its representatives, agents, contractors or employees to terminate the event of force majeure; and
 - (iv) the reasonably expected duration of the period of force majeure.
- (c) Any Party asserting an event of force majeure shall provide ongoing periodic notice in writing to the other Parties with respect to such events of force majeure, including the matters set out above, within fifteen (15) days of the end of each calendar month during the period of force majeure and shall provide prompt notice in writing to the other Parties upon the termination of the event of force majeure.

11.5 Term of Agreement

This Agreement shall come into force and effect on the date hereof and shall terminate on the earlier of:

- (a) the date this Agreement is terminated by written agreement of all of the Shareholders of the Corporation;
- (b) the date that a Party ceases to hold more than a 10% Proportionate Share in the Corporation;
- (c) the material breach of the terms of this Agreement by a Shareholder; and
- (d) the completion of the liquidation, winding-up or dissolution of the Corporation.

The termination of this Agreement shall have no effect upon any obligation of a Party to pay any amounts, including Loans, owing by it under this Agreement prior to the date of such termination.

[The balance of this page has been intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties on the date first above written.

1475039 B.C. LTD.

Per: _____
Name: Wendy T. Chan
Title: Chief Executive Officer and Director
I have authority to represent and bind 1475039 B.C. Ltd.

FANCAMP EXPLORATION LTD.

Per: _____
Name: Rajesh Sharma
Title: President and Chief Executive Officer
I have authority to represent and bind Fancamp

[JV CO]

Per: _____
Name: [●]
Title: [●]
I have authority to represent and bind [●]

SCHEDULE "A"
PROPERTY

[redacted]

SCHEDULE "B"
NET SMELTER RETURNS ROYALTY

THIS NET SMELTER RETURNS ROYALTY AGREEMENT is made with effect as of _____ (the "**Agreement**").

BETWEEN:

[●], a corporation incorporated under the laws of British Columbia (the "**Owner**")

- and -

[insert name], a corporation incorporated under the laws of British Columbia (the "**Holder**", and together with the Owner, the "**Parties**" or individually a "**Party**")

WHEREAS the Parties wish to enter into this Agreement pursuant to Section 6.4(d) of that certain shareholders' agreement entered between 1475039 B.C. LTD., Fancamp Exploration LTD. and the Owner dated August _____, 2024.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, the Parties mutually covenant and agree as follows:

1. INTERPRETATION

1.1 Definitions

For the purposes of this Agreement, unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

- (a) "**Acceptable Accounting Standards**" means, as used at the applicable time by the Owner for financial reporting purposes, either Canadian generally accepted accounting principles or International Financial Reporting Standards as adopted by the International Accounting Standards Board;
- (b) "**Affiliate**" means, with respect to any Person, any other Person which directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. For the purposes of this definition, "**control**" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities, by contract or otherwise;
- (c) "**Business Day**" means a day other than a Saturday, a Sunday or any other day on which the principal chartered banks located in Vancouver, British Columbia are not open for business;
- (d) "**Buyer**" has the meaning given to it in Section 9.1;
- (e) "**Change of Control**" means the occurrence of any one of the following: (a) the direct or indirect sale, transfer, conveyance, lease or other disposition (other than by way of

consolidation, amalgamation or merger), in one or a series of related transactions, of all or substantially all of the property and assets of the Holder and its subsidiaries, taken as a whole, to any person or group of persons acting jointly or in concert for purposes of such transaction; or (b) the consummation of any transaction including, without limitation, any consolidation, amalgamation, merger or issue of voting securities the result of which is that any Person or group of Persons acting jointly or in concert for purposes of such transaction becomes the beneficial owner, directly or indirectly, of more than 50% of the then issued securities of the Holder, measured by voting power rather than number of shares (but shall not include the creation of a holding corporation or similar transaction that does not involve a change in the beneficial ownership of the Holder or any other transaction involving only the Holder and one or more of its wholly-owned subsidiaries or between wholly-owned subsidiaries of the Holder);

- (f) "**Hedging Transactions**" has the meaning given to it in Section 6.1;
- (g) "**Loss**" means an insured loss of or damage to Products, whether or not occurring on or off the Property and whether the Products are in the possession of the Owner or its Affiliates or otherwise;
- (h) "**Net Smelter Returns**" means, with respect to each Quarter (and without duplication):
 - (A) in the case of Products of gold and silver processed at a refinery, the number of ounces of refined gold and refined silver credited to the account of the Owner during such Quarter multiplied by the applicable Reference Price;
 - (B) in the case of Products of zinc, copper or any other base, precious or refined metal (other than gold and silver), the fair market value of all Products credited to the account of the Owner during the Quarter, determined in accordance with the applicable Reference Price;
 - (C) in all other cases other than clause (D) below, the actual gross proceeds received during such Quarter by the Owner from the sale or other disposition of Products; and
 - (D) in the event that there is a Loss of Products, an amount equal to the sum of the insurance proceeds actually received by the Owner during such Quarter (less any costs and expenses incurred in connection therewith) in respect of such Loss of Products, less the following expenses, to the extent incurred in respect of the production of Products for which payment or credit is received during such Quarter:
- (i) all taxes based directly on or assessed against the value or quantity of Products produced from the Property, including the following:
 - (A) direct sales tax;
 - (B) use taxes;
 - (C) gross receipts taxes;
 - (D) severance taxes; and
 - (E) crown royalties;

but excluding any and all taxes based upon the net or gross income of the Owner or other operator of the Property, the value of the Property or the privilege of doing business and other taxes assessed on a similar basis;

- (ii) all transportation costs, including related insurance costs, for transportation of doré from the Property to a Processor or to the point of sale, and all direct charges and/or costs charged by any Processor of the doré (provided such charges or costs have not been previously deducted by the Owner or such Processor); provided that if any processing is carried out at facilities owned or controlled, in whole or in part, by the Owner or an Affiliate, then the charges and costs for such processing (but not including mining) of such doré shall be the lesser of: (A) the charges and costs the Owner would have incurred if such processing was carried out at facilities that are not owned or controlled by the Owner or an Affiliate and that are offering comparable services for comparable products; and (B) the actual charges and costs incurred by the Owner with respect to such processing; and
 - (iii) all actual selling, marketing and brokerage costs, including any sales commissions, relating to the sale or disposition of Products;
- (i) "**NSR Royalty**" shall have the meaning set out in Section 2;
 - (j) "**Offer**" has the meaning given to it in Section 9.1;
 - (k) "**Parties**" means the parties to this Agreement, and "**Party**" means any one of the Parties;
 - (l) "**Person**" means and includes individuals, corporations, bodies corporate, limited or general partnerships, joint stock companies, limited liability companies, joint ventures, associations, companies, trusts, banks, trust companies, governmental bodies or any other type of organization or entity, whether or not a legal entity;
 - (m) "**Place of Delivery**" means an account at a chartered bank in Canada specified in writing to the Owner by the Holder at least ten (10) Business Days prior to the date of Payment;
 - (n) "**Processor**" means collectively any mill or other processor, refiner or smelter of the Products which processes, refines or smelts any Products to the final product stage before sale or other disposition by or for the account of the Owner;
 - (o) "**Products**" means all ores, precious, base and refined metals (including but not limited to gold, silver, zinc and copper), minerals and mineral products mined, produced, extracted, derived or otherwise recovered or sold from the Property and includes all beneficiated and other mineral products produced or derived therefrom;
 - (p) "**Property**" means the [●] unpatented mining claims as more particularly described in Schedule "A";
 - (q) "**Quarter**" means each three-month fiscal period ending on March 31, June 30, September 30 or December 31;
 - (r) "**Reference Price**" for any given Quarter, means:

1. for gold, the quarterly average of the afternoon per ounce LBMA Gold Price in U.S. dollars quoted by the London Bullion Market Association (currently in partnership with ICE Benchmark Administration) for refined gold for such Quarter, calculated by dividing the sum of all such quotations during such Quarter by the number of such quotations; provided that if, for any reason, the London Bullion Market Association is no longer in operation or the price of refined gold is not confirmed, acknowledged by or quoted by the London Bullion Market Association, the Reference Price for gold shall be determined by reference to the price of refined gold in the manner endorsed by the London Bullion Market Association (if in operation) and World Gold Council;
2. for silver, the quarterly average of the daily per ounce LBMA Silver Price in U.S. dollars quoted by the London Bullion Market Association (currently in partnership with CME Group and Thomson Reuters) for refined silver for such Quarter, calculated by dividing the sum of all such quotations during such Quarter by the number of such quotations; provided that if, for any reason, the price of refined silver is not confirmed, acknowledged by or quoted by the London Bullion Market Association, the Reference Price for silver shall be determined by reference to the price of refined silver in the manner endorsed by the London Bullion Market Association;
3. for zinc, by the London Metals Exchange Special High Grade cash settlement price for zinc, as published in Metals Week, averaged for the previous calendar quarter;
4. for copper, by the COMEX First Position High Grade price for copper, as published in Metals Week, averaged for the previous calendar quarter; and
5. for all other precious, base and refined metals (excluding, gold, silver, zinc and copper), the payments actually received by the Owner during the calendar quarter from the sale of such Product.

Should any of the price quotations referred to above cease to exist, cease to be published or should no longer be internationally recognized as the basis for the settlement of the applicable commodity, then, upon the request of either of them, the Owner and the Holder shall promptly meet to select a comparable commodity quotation for purposes of this Agreement. The basic objective of such selection shall be to secure the continuity of fair market pricing of such commodity;

(s) "**Third Party Offer**" has the meaning given to it in Section 9.1; and

(t) "**Transfer**" means any sale, grant, assignment, conveyance, disposition or other transfer.

1.2 Headings, Internal References. The headings used in this Agreement, and its division into articles, sections, schedules, and other subdivisions, do not affect its interpretation. Unless otherwise indicated, references in this Agreement to articles, sections, schedules, and other subdivisions are to those parts of this Agreement.

1.3 Number and Gender. Unless the context requires otherwise, words importing the singular number include the plural and vice versa; words importing gender include all genders.

- 1.4 Currency. Unless specified otherwise, all dollar amounts expressed in this Agreement refer to, and all payments contemplated hereby shall be made in, lawful Canadian currency. Any required foreign exchange transactions shall be calculated based on the average FX for the quarter in which the payment is made.
- 1.5 Calculation of Time. In this Agreement, a period of days begins on the first day after the event that began the period and ends at 5:00 p.m. (Vancouver time) on the last day of the period. Except with respect to the last day of a Quarter, if any period of time is to expire, or any action or event is to occur, on any day that is not a Business Day, the period expires, or the action or event is considered to occur, at or not later than 5:00 p.m. (Vancouver time) on the next Business Day.
- 1.6 Use of the Term "Including". Where this Agreement uses the word "including" it means "including without limitation", and where it uses the word "includes" it means "includes without limitation".
- 1.7 Interpretation of this Agreement. The Parties acknowledge that they have each participated in settling the terms of this Agreement. The Parties agree that any rule of legal interpretation to the effect that any ambiguity is to be resolved against the drafting party will not apply in interpreting this Agreement.
- 1.8 References to Statutes, etc. Unless specified otherwise, any reference in this Agreement to a statute includes both the regulations, rules and policies made under that statute and any provision that amends, supplements, supersedes or replaces any such statute, regulation, rule or policy.
- 1.9 Schedule. Schedule "A" attached hereto forms part of this Agreement.

2. **GRANT OF ROYALTY AND OPERATIONS**

- 2.1 NSR Royalty. The Owner hereby creates, grants and conveys to the Holder, a perpetual royalty in respect of the Products derived from the Property equal to one percent (1.0%) of Net Smelter Returns, payable quarterly as set forth in Section 3.1 and otherwise in accordance with the provisions of this Agreement (the "**NSR Royalty**"). The Owner and the Holder expressly acknowledge and agree that the grant, sale, transfer and conveyance of the NSR Royalty is effective as of date hereof and is intended to run with and bind each part of the Property and the title of the Owner thereto and shall be binding upon the successors and assigns of the Owner and all successors of the Owner in title to the Property.

3. **TIME, CALCULATION AND MANNER OF ROYALTY PAYMENTS**

- 3.1 Time and Calculation of Payment. The NSR Royalty payment shall be calculated and paid for each Quarter of each calendar year during the term of this Agreement, commencing on the date hereof, provided that the first Quarter shall begin on the date hereof and end on the last day of the Quarter in which such date falls. The NSR Royalty payment for each Quarter shall be calculated with respect to each applicable Product by multiplying 0.01 (1.0%) and the amount of Net Smelter Returns with respect to each applicable Product for which payment or credit is received by the Owner during such Quarter (as provided herein) and shall be paid to the Holder by the Owner in a single payment by wire transfer in Canadian dollars, on or before the day that is forty-five (45) days after the last day of each Quarter. Any adjustment to the determination of any NSR Royalty payment (including as a result of a provisional payment from a Processor or other third party) shall be applied to the next scheduled NSR Royalty payment. All such NSR Royalty and adjustment payments shall be delivered to the Holder at the Place of Delivery.

- 3.2 Statements. At the time each NSR Royalty payment is paid to the Holder, the Owner shall prepare and deliver to the Holder a statement setting out in reasonable detail the manner in which such NSR Royalty payment was calculated, including: (i) the type and quantities of Products sold or otherwise disposed of by the Owner with respect to such Quarter or the amount of Products produced and credited to the account of the Owner for such Quarter, as the case may be; (ii) the calculation of the applicable Net Smelter Returns; (iii) the calculation of Interest accrued on such NSR Royalty payment, if any; (iv) the calculation of any withholding or deduction in respect of the NSR Royalty for remittance to an applicable governmental authority pursuant to Section 3.5; and (v) the cumulative total of NSR Royalty payments made to the Holder under this Agreement.
- 3.3 Owner Credited with Disposition. Notwithstanding the terms of any other provision in this Agreement, the Owner shall not be obligated to make any NSR Royalty payment before the Owner has received or been credited with the proceeds from the sale or other disposition of Products (but for greater certainty, shall be obligated to make such payment after receiving or being credited with such proceeds), unless such failure to receive or be credited for payment by the Owner or any of its Affiliates is due to intentional delay by the Owner or any of its Affiliates.
- 3.4 Overpayment and Set-Off. If any portion of any NSR Royalty payment was overpaid, the Owner shall be entitled to offset such amount against the next NSR Royalty payment. The Owner shall also have the right to set-off against any amount payable to the Holder hereunder, any amount which the Holder is obligated to pay to the Owner, or any successor to the Owner. The Owner shall set out in the statement referred to in Section 3.2 any amount so offset.
- 3.5 Withholding or Deductions. All NSR Royalty payments will be made subject to withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied on such payment by or on behalf of any governmental authority having power and jurisdiction to tax and for which the Owner is obligated in law to withhold or deduct and remit to such governmental authority and no gross-up or make-whole payment shall be made in respect of such withholding. The Owner shall set out in detail in the statement referred to in Section 3.2 any amount so withheld or deducted.
- 3.6 No Deduction for Certain Costs. All NSR Royalty payments shall be made without deduction or set off for costs of production, mining, milling, processing, taxes or other expenses whatsoever, except as expressly provided in this Agreement.
- 3.7 Tailings. All tailings, residues, waste rock, spoiled leach materials and other materials resulting from the Owner's operations and activities on and related to the Property shall be the sole property of the Owner, and shall not form part of the obligation to pay the NSR Royalty provided the same is not processed or reprocessed, as the case may be, in the future and does not result in the production of Products.

4. **MANAGEMENT OF OPERATIONS**

- 4.1 Commingling. Commingling of Products from the Property with other ores, doré, concentrates, metals, minerals or mineral by-products produced elsewhere is permitted, provided that reasonable and customary procedures are established by the Owner for the weighing, sampling, assaying and other measuring or testing necessary to fairly allocate valuable metals contained in such Products and in the other ores, doré, concentrates, metals, minerals and mineral by-products.
- 4.2 Sales to or Processing by Affiliates. The Owner will be permitted to (i) sell Products in the form of raw ore, doré, concentrates or otherwise to an Affiliate of the Owner and (ii) contract with an

Affiliate of the Owner or an unaffiliated third person for the smelting or other processing of Products, at Owner's discretion.

- 4.3 Maintain Insurance. The Owner shall use commercially reasonable efforts to maintain in good standing any policies of insurance maintained by the Owner in respect of the Property or Products and present all claims under such policies in a due and timely manner.

5. **TERM**

- 5.1 This Agreement shall continue in perpetuity, it being the intent of the Parties that the NSR Royalty shall constitute a covenant running with and binding upon the title to the Property and all accessions thereto and all successions thereof, whether created privately or through governmental action, and binding upon the successors and assigns of the Owner and the successors in title to the Property. If any right, power or interest of either Party would violate the rule against perpetuities, then such right, power or interest shall terminate at the expiration of 20 years after the death of the last survivor of all the lineal descendants of His Majesty, King Charles III of England, living on the date of this Agreement.

6. **HEDGING TRANSACTIONS**

- 6.1 All profits, losses and expenses resulting from the Owner engaging in any commodity futures trading, option trading, metals trading, metal loans, and any other hedging transactions or any combination thereof (collectively "**Hedging Transactions**") are specifically excluded from calculations of NSR Royalty payments pursuant to this Agreement. All Hedging Transactions shall be for the Owner's sole account and shall not affect the calculation and payment to the Holder of the NSR Royalty payment which shall be calculated and paid in accordance with Section 3 without regard for any Hedging Transactions. In the case of a Hedging Transaction in respect of a Product which is not gold or silver, the applicable Net Smelter Returns shall be calculated as the quantity of the applicable Product for which the Owner received payment during such Quarter multiplied by the applicable reference price, less the deductions set forth in clauses (i) through (iii) of the definition of Net Smelter Returns. The applicable reference price is to be determined using the quarterly average of the daily COMEX price for the given commodity calculated in a comparable manner as used for determining the Reference Price for gold and silver, subject to the last paragraph of the definition of "Reference Price".

7. **CONFIDENTIALITY**

- 7.1 No Disclosure without Consent. Subject to Section 10.1, each Party covenants without the express written consent of the other Party, not to disclose any non-public or confidential information in respect of the terms of this Agreement or otherwise received under or in conjunction with this Agreement including information concerning Products and operations on the Property or any other properties owned or leased by the Owner, other than to its employees, agents and/or consultants for purposes related to the administration of this Agreement. A Party may reveal such information only to its agents and/or consultants who need to know, who are informed of the confidential nature of the information and who agree to be bound by the terms of this Section 7 and each Party agrees to be responsible for the breach of this Section 7 by its agents and/or consultants.
- 7.2 Notice to the Other Party. The Holder may disclose data or information obtained under or in conjunction with this Agreement and otherwise prohibited from disclosure by this Section 7 after providing the Owner with a copy of the proposed disclosure and if the Owner does not object,

acting reasonably, to such disclosure by notice in writing to the Holder within forty-eight (48) hours after receipt of such copy:

- (a) to any third person to whom the Holder in good faith anticipates selling or assigning its interest hereunder in compliance with Section 9;
- (b) to a prospective lender to the Holder; or
- (c) to a prospective equity financier or investor of the Holder;

provided that in each case the Person to whom disclosure is proposed shall first have been provided with and signed and delivered to the Owner a confidentiality agreement executed by such third party purchaser, lender, financier or investor which agreement shall include the confidentiality provisions of this Section 7 and shall otherwise be in form and substance acceptable to the Owner, acting reasonably.

7.3 Compliance with Applicable Laws. The Holder may disclose data or information obtained under this Agreement if required to do so for compliance with applicable laws, rules, regulations or orders of a governmental authority having jurisdiction over the Holder, provided that the Holder shall disclose only such data or information as, in the opinion of its counsel, is required to be disclosed and provided further that it will provide the Owner with a copy of the proposed disclosure and the Owner shall be given the right to review and object to the data or information to be disclosed within twenty-four (24) hours of its receipt of such copy prior to any release, and any such release will be subject to any reasonable objections, redactions (to the extent permitted by applicable laws) or changes proposed by the Owner.

8. NO IMPLIED COVENANTS

8.1 The Parties agree that there are no implied covenants or duties relating to or affecting any of their respective rights or obligations under this Agreement, and that the only covenants or duties which affect such rights and obligations shall be those expressly set forth and provided for in this Agreement.

9. ASSIGNMENT

9.1 Right of First Refusal. The Holder shall not directly or indirectly Transfer all or a part of its rights and interests in or with respect to the NSR Royalty or under or by virtue of this Agreement unless the Holder has received a bona fide written offer (a "**Third Party Offer**") from any person or entity dealing at arm's length with the Holder (the "**Buyer**") to purchase all but not less than all of the Holder's rights pursuant to this Agreement, which Third Party Offer is acceptable to the Holder. If the Holder wishes to accept the Third Party Offer, it shall make an offer in writing (the "**Offer**") to the Owner to Transfer its rights and interests under this Agreement to the Owner at the same price and upon the same terms and conditions as are contained in the Third Party Offer. If payment terms of the Third Party Offer include consideration other than cash, the Offer shall provide for a cash payment which as closely as possible approximates the cash value of the non-cash consideration contained in the Third Party Offer. The Offer shall identify in reasonable detail the Buyer and be accompanied by a true copy of the Third Party Offer setting forth all of the terms and conditions of the Third Party Offer. The Offer shall not be revocable. The Owner shall be entitled upon notice to the Holder within 30 days from the date of the delivery of the Offer to acquire such rights and interests at the price and on the terms stated in the Offer. If the Owner does not elect in writing within the said 30 day period to acquire such rights and interests, the Holder may Transfer the whole of such rights and interests to the Buyer within the following 90 days upon the terms and conditions set out in the Third Party Offer. If the Owner accepts the Offer, the Transfer to the

Owner shall take place upon the terms and conditions set out in the Offer within 10 Business Days of the Owner's acceptance of the Offer. If the Holder fails to consummate the Transfer of the whole of such rights and interests within the said 90 days, the right of first refusal set out in this Section 9.1 of the Owner shall be deemed to be revived and any subsequent proposal by the Holder to Transfer the whole of its rights and interest shall again be subject to the provisions of this Section 9.1. No disposition to any Buyer pursuant to any Third Party Offer shall be valid or effective until the Buyer has executed a counterpart copy of this Agreement or a written agreement in form and substance satisfactory to the Owner agreeing to be bound by the terms and conditions of this Agreement.

For greater certainty this Section 9.1 applies in the event that the Transfer to a Buyer is to take place by way of a sale of shares of the Holder where the Holder's principal asset consists of its rights and obligations under this Agreement. If the Transfer to a Buyer is to take place by way of a sale of shares, the Offer to the Owner shall consist of an offer to acquire the rights and obligations under this Agreement and not an offer to acquire shares.

9.2 Transfer by Owner. The Owner shall be entitled to Transfer, lease, mortgage, charge or otherwise encumber or dispose of the Property or any parts thereof, or the proceeds thereof, and in connection therewith to assign its rights and obligations under this Agreement, provided that any purchaser, transferee, lessee or assignee of the Property and this Agreement agrees in writing in favour of the Holder to be bound by the terms of this Agreement, in which case, automatically upon any such Transfer the assigning the Owner shall be released from its obligations to the Holder under this Agreement with respect to the transferred Property only, as such obligations relate to the period from and after any such assignment.

9.3 Transfer to Affiliate. The Holder shall have the right, without the requirement for delivery of an Offer under Section 9.1, to Transfer the whole of its rights and interests in or with respect to the NSR Royalty or under or by virtue of this Agreement to an Affiliate or to a third party transferee in the event of a Change of Control provided (i) that such Affiliate or third party transferee first complies with the provisions of Section 9.4; and (ii) such Change of Control is not a Change of Control of an entity whose principal asset is this Agreement. For certainty, the Owner's right of first refusal set out in Section 9.1 shall not apply to such transfers, other than a Change of Control of an entity whose principal asset is this Agreement, in which case, the right of first refusal in Section 9.1 would apply.

9.4 Agreement to be Bound. A Party Transferring its rights and interests as permitted or required hereby shall require any transferee to execute an agreement in writing with the other Party pursuant to which the transferee agrees to be bound by the contractual terms hereof in the same manner and to the same extent as though a Party hereto in the first instance.

10. **REGISTRATION**

10.1 It is the express intention of the Parties that the NSR Royalty shall run with the Owner's title to the Property and be binding upon the successors of the Owner in title to the Property. Notwithstanding Section 7, the Holder shall cause, at its own expense, the due registration or recordation or filing of this Agreement or notice of this Agreement against the title to the Property. The Owner covenants and agrees that it shall co-operate with such registration or recordation and/or filing and provide its written consent or signature to any documents or things reasonably necessary to accomplish such registration or recordation in order to ensure that any successor or assignee or other acquiror or encumbrancer of the Owner's title to the Property, or any interest therein, shall have public notice of this Agreement and the terms of this Agreement.

11. **DISPUTE RESOLUTION**

- 11.1 Any dispute arising between the Parties in respect of the interpretation of this Agreement or any matter to be agreed upon hereunder will be submitted to a single arbitrator to be agreed upon by the Parties to that dispute, provided that if a single arbitrator cannot be agreed upon within ten (10) Business Days after the appointment of the single arbitrator has been requested in writing by one of the Parties, then the dispute will be referred to a board of three arbitrators, one to be appointed by each side to the dispute and a third arbitrator to be appointed by the first two named arbitrators in writing.
- 11.2 Any Party may, upon written notice to the other demand arbitration of any dispute hereunder.
- 11.3 No person will be appointed as an arbitrator hereunder unless such person agrees in writing to act. Upon appointment the arbitrator(s) will immediately proceed to hear and determine the dispute.
- 11.4 The award of the arbitrator(s) will be made within 45 days after his (their) appointment subject to any reasonable delay due to unforeseen circumstances. The award of the arbitrator(s) will be in writing and signed by the arbitrator(s) and will be final and binding upon the Parties who will abide by the award.
- 11.5 The provisions of this Section will be deemed to be a submission to arbitration within the provisions of the *Arbitration Act* (British Columbia).

12. **GENERAL PROVISIONS**

- 12.1 Notices. In order to be effective, any notice given hereunder must be in writing. A notice is effective if it is delivered (i) personally, either to the individual designated below for such Party, or to an individual having apparent authority to accept deliveries on behalf of such Party at its address set out below; (ii) by email at the email address set out below, or (iii) by registered mail at or to the applicable addresses set out opposite the Party's name below or at or to such other address for a Party as such Party from time to time designates to the other Party in the same manner:

in the case of the Owner, to:

[●]
Attention: [●]
Email: [●]

in the case of the Holder, to:

[●]
Attention: [●]
Email: [●]

Or at such other addresses and to such other Person that may be given by any of them to the others in writing from time to time on ten (10) days' prior written notice and such notices, requests demands or other communications shall be deemed to have been received when delivered.

- 12.2 Severability. The invalidity or unenforceability of any particular provision of this Agreement will not affect or limit the validity or enforceability of the remaining provisions. To the extent that any such provision is found to be invalid or unenforceable, the Parties shall act in good faith to substitute

for such provision, to the extent possible, a new provision with content and purpose as close as possible to the provision so determined to be invalid or unenforceable.

- 12.3 Further Assurances. Each Party shall execute all such further instruments and documents and do all such further actions as may be necessary to effectuate the documents and transactions contemplated in this Agreement, in each case at the cost and expense of the Party requesting such further instrument, document or action, unless expressly indicated otherwise.
- 12.4 Governing Law. This Agreement is governed by, and is to be interpreted, construed and enforced in accordance with, the laws of British Columbia and the laws of Canada applicable in British Columbia, excluding any rule or principle of conflicts of law that may provide otherwise.
- 12.5 Waiver. No waiver of satisfaction of a condition or non-performance of an obligation under this Agreement is effective unless it is in writing and signed by the Party granting the waiver. No waiver under this Section affects the exercise of any other rights under this Agreement.
- 12.6 Business Day. Whenever any payment to be made or other action to be taken under this Agreement is required to be made or taken on a day other than a Business Day, such payment shall be made or action shall be taken on the next following Business Day.
- 12.7 Relationship of the Parties. Nothing herein shall be construed to create, expressly or by implication, a joint venture, mining partnership, commercial partnership, or other partnership relationship between the Owner and the Holder.
- 12.8 Time of Essence. Time shall be of the essence of this Agreement.
- 12.9 Accounting Principles. All calculations hereunder shall be made in accordance with Acceptable Accounting Standards as the same may be in effect from time to time.
- 12.10 Absence of Presumption. No presumption will operate in favour of or against any Party as a result of any responsibility that any Party may have had for drafting this Agreement.
- 12.11 Independent Legal Advice. The Parties acknowledge that they have had the opportunity to obtain independent legal advice with respect to this Agreement and each acknowledges that it has obtained such advice or has waived the right to such advice. Each Party further acknowledges that it understands its rights and obligations under this Agreement, is executing this Agreement voluntarily and that the individual executing this Agreement on behalf of the Party has full authority to do so and to bind such Party.
- 12.12 Counterparts. This Agreement may be signed in any number of counterparts, each of which is an original, and all of which taken together constitute one single document. Counterparts may be transmitted by email or PDF. Any Party transmitting electronically will also deliver the original counterpart to the other Party, but failure to do so does not invalidate this Agreement.

[The remainder of this page is left intentionally blank]

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first written above.

●

Name:

Title:

I have authority to bind the Owner.

●

Name:

Title:

I have authority to bind the Holder.

SCHEDULE "A"
PROPERTY

[See attached]

SCHEDULE "C"
INITIAL STRATEGIC PLAN

[redacted]

SCHEDULE "D"
DILUTION FORMULA CALCULATION

Hypothetical Working Example of the Section 6.4 Dilution Formula:

Scenario:

- (a) Fancamp as Operator proposes a \$1,000,000 Program.
- (b) Spin Co elects not to participate in its 50% share of the Program and Fancamp funds the entire Program.

Percentage interest of each of Fancamp and Spin Co after Fancamp funds the Program:

Fancamp percentage interest:

$$\frac{(A+B) \times 100}{C}$$

A = Deemed contribution of Fancamp to the Corporation - \$750,000

B = Actual contribution of Fancamp to the Corporation - \$1,000,000

C = Total contributions (deemed and actual) of both Shareholders to the Corporation - (\$750,000 + \$750,000 + \$1,000,000) = \$2,500,000

$$\frac{(\$750,000 + \$1,000,000) \times 100}{\$2,500,000}$$

= 70.0%

Spin Co percentage interest:

$$\frac{(A+B) \times 100}{C}$$

A = Deemed contribution of Spin Co to the Corporation — \$750,000

B = Actual contribution of Spin Co to the Corporation - \$0

C = Total contributions (deemed and actual) of both Shareholders to the Corporation - (\$750,000 + \$750,000 + \$1,000,000)
=\$2,500,000

$$\frac{(\$750,000 + \$0.00) \times 100}{\$2,500,000}$$

= 30.0%

Schedule F
Use of Proceeds

[redacted]

Schedule G
McIntyre Brook Option Agreements

[redacted]

Schedule H
Win Option Agreement

[redacted]

Schedule I
Spin Co Yukon Budget and Expense Reimbursement

[redacted]

Schedule J
JV Co Expense Reimbursement

[redacted]