

**LIBERO COPPER CORPORATION**

**AND**

**DIVITIAE RESOURCES LTD.**

**AND**

**PIOTR LUTYNSKI**

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**OPTION AGREEMENT**

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January 16, 2019

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SCHEDULE A – POKER AND BIG RED PROPERTY CLAIMS AND AREA OF INTEREST  
SCHEDULE B – NET SMELTER RETURNS ROYALTY

## OPTION AGREEMENT

THIS AGREEMENT is made as of the 16<sup>th</sup> day of January, 2019,

BETWEEN:

**LIBERO COPPER CORPORATION**, a company incorporated under the *Business Corporations Act* (British Columbia)

(“**Libero**”)

AND:

**DIVITIAE RESOURCES LTD.**, a company incorporated under the *Business Corporations Act* (British Columbia)

(the “**Divitiae**”)

AND:

**PIOTR LUTYNSKI**, an individual residing at 5285 Sherbrooke Street, Vancouver, British Columbia, V5W 3M3

(“**Lutynski**” and together with Divitiae, the “**Optionors**”)

**WHEREAS:**

- A. Divitiae and Lutynski are the sole legal and beneficial owners of certain mineral claims known as the “Poker and Big Red Property”, as more particularly described in Schedule “A” hereto (the “**Property**”).
- B. The Optionors wish to grant Libero the exclusive right and option to acquire a 100% interest in the Property on the terms and conditions set forth herein.
- C. Lutynski, Adrian Smith (the 100% owner of Divitiae) and Libero entered into a letter of intent dated January 8, 2019 (the “**Letter of Intent**”) that sets out the general terms of such right and option.
- D. The Parties wish to enter into this Agreement to provide for such right and option and other matters relating to the exploration and development of the Property.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that for good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereto mutually agree and covenant as follows:

1. **DEFINITIONS**

1.1 In this Agreement and in the Schedules and the recitals hereto, unless the context otherwise requires, the following expressions will have the following meanings:

- (a) “**Acquiring Party**” has the meaning given to that term in Section 10.1;

- (b) “**Additional Property**” has the meaning given to that term in Section 10.2;
- (c) “**affiliate**” has the meaning ascribed thereto in National Instrument 45-106 – *Prospectus Exemptions*;
- (d) “**Applicable Law**” means in respect of any Person, property, transaction or event, means all laws, statutes, treaties, regulations, judgments, notices, approvals, orders and decrees applicable to that Person, property, transaction or event and, in each case having the force of law, all applicable official directives, rules, protocols, consents, approvals, authorizations, guidelines, orders and policies of any Governmental Body having or purporting to have authority over that Person, property, transaction or event;
- (e) “**Area of Interest**” means the area on the ground between a line which is two kilometers outside the outermost boundaries of the Property, all as shown on the map set out in Schedule “A” attached hereto, provided that no additions to the Property pursuant to this Agreement shall cause the Area of Interest to be expanded;
- (f) “**BCICAC**” means the British Columbia International Commercial Arbitration Centre and includes any entity which replaces the BCICAC or which substantially succeeds to its powers or functions;
- (g) “**Bulk Sampling**” means the collection and removal of a reasonable quantity of representative material from a zone or zones on the Property for the sole purpose of assaying and testing the same to determine the quality, grade, continuity or mineability of a zone all in accordance with standard mining industry practice;
- (h) “**Closing**” has the meaning set forth in Section 5.1;
- (i) “**Closing Date**” has the meaning set forth in Section 5.1;
- (j) “**Closing Date Payment**” has the meaning set forth in Section 2.1;
- (k) “**Closing Time**” means 10:00 a.m. (Vancouver Time) on the Closing Date, or such other time agreed to by the parties;
- (l) “**Consent**” means any approval, consent, authorization, notice, sanction, exemption, waiver, expiry of waiting period or acknowledgement that may be required from any person other than a Party, any Governmental Body pursuant to Applicable Law or the terms of any contract or otherwise in connection with the transactions contemplated herein on the terms contemplated in this Agreement, or which is otherwise necessary to permit the Parties to perform their obligations under this Agreement;
- (m) “**Defaulting Party**” has the meaning given to that term in Section 14.1;
- (n) “**Effective Date**” means January 16, 2019, the effective date of this Agreement;
- (o) “**Encumbrances**” means all interests, mortgages, charges, royalties, security interests, liens, encumbrances, actions, claims, demands and equities of any nature whatsoever or however arising and any rights or privileges capable of becoming any of the foregoing;

- (p) “**Environmental Laws**” means all applicable national, federal, provincial, state, municipal and local laws, statutes, ordinances, by-laws, regulations, orders, directives and decisions, rendered by any ministry, department or administrative or regulatory agency relating to the protection of the environment, or pollutants, contaminants, chemicals, or industrial, toxic or hazardous wastes or substances;
- (q) “**Expenditures**” means all costs, expenses, obligations and liabilities of whatever kind or nature spent or incurred directly or indirectly by Libero or its affiliates including, without limiting the generality of the foregoing, monies expended in connection with:
- (i) maintaining the Property in good standing and fulfilling any of the requirements of any title documents, permits or applicable mining or environmental laws in British Columbia with respect to the Property, including the costs of any discussions or negotiations with governmental authorities in connection therewith;
  - (ii) mobilization and de-mobilization of work crews, supplies, Facilities and equipment to and from the Property, including all transportation, insurance, customs brokerage and import and export taxes, fees and charges and all other governmental levies in connection therewith;
  - (iii) implementing and carrying out any program of surface or underground prospecting, exploring or mapping or of geological, geophysical or geochemical surveying;
  - (iv) trenching or other surface or near surface sampling;
  - (v) reverse circulation, diamond or other drilling;
  - (vi) drifting, raising or other underground work;
  - (vii) assaying and metallurgical testing;
  - (viii) carrying out environmental studies and preparing environmental impact assessment reports;
  - (ix) carrying out all required restoration and reclamation of the Property required as a result of activities thereon hereunder, and posting any bond (whether cash or surety) required in that regard by any applicable governmental authority;
  - (x) preparing and making submissions to government agencies with respect to substitute or successor title to any of the Property and test and production permits;
  - (xi) the securing of good relations with communities in the area surrounding the Property, including, without limitation, all costs associated with the negotiation and implementation of any impact and benefit agreement or access agreement and any services provided in aid of consultation between aboriginal people and governmental authorities relating to operations;

- (xii) acquiring, constructing and transporting Facilities; and
- (xiii) fees, wages, salaries, traveling expenses and fringe benefits (whether or not required by law) of all persons engaged in work with respect to and for the benefit of the Property and the food, lodging and other reasonable needs of such persons.

All Expenditures incurred on the Property will be filed as assessment credits toward the Property;

- (r) “**Facilities**” means all mines and plants including, without limitation, all pits, shafts, haulageways and other underground workings, and all buildings, plants 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 or outside the Property if for the exclusive benefit of the Property only;
- (s) “**Governmental Body**” means any federal, provincial, state, territorial, regional, municipal, local government or authority, quasi government authority, fiscal or judicial body, government or self-regulatory organisation, commission, board, tribunal, organisation, stock exchange or any regulatory, administrative or other agency, or any political or other subdivision, department, or branch of any of the foregoing;
- (t) “**Interest**” means a legal undivided beneficial interest of a Party in the Property;
- (u) “**Intervening Event**” has the meaning given to that term in Section 20.1;
- (v) “**Letter of Intent**” has the meaning set forth in the recitals hereto;
- (w) “**Libero**” has the meaning set forth in the recitals hereto;
- (x) “**Libero Shares**” means common shares in the capital of Libero;
- (y) “**Licence**” means any licence, permit, convention, authorization, certificate, consent, order, grant, right, notification, privilege, classification, registration, agreement, approval, award, determination, decision, decree or other evidence of authority issued or granted to, conferred upon, or otherwise created for, the applicable Party by any Governmental Body;
- (z) “**Net Smelter Returns Royalty**” has the meaning given to that term in Section 3.1;
- (aa) “**Option**” means the option granted by the Optionors to Libero pursuant to Section 2.1;
- (bb) “**Optionors**” has the meaning set forth in the recitals hereto;
- (cc) “**Order**” means any order, directive, judgment, decree, injunction, decision, ruling, award, writ or other pronouncement of any Governmental Body;
- (dd) “**Ore**” means all materials from the Property, the nature and composition of which, in the sole judgment of Libero, justifies either:

- (i) mining or removing from place and shipping and selling such material, or delivering such material to a processing plant for physical or chemical treatment; or
    - (ii) leaching such material in place;
  - (ee) “**Other Party**” has the meaning given to that term in Section 10.1;
  - (ff) “**Party**” means any of the Optionors or Libero and their respective successors and permitted assigns and “**Parties**” means, together, the Optionors and Libero and their successors and permitted assigns;
  - (gg) “**Person**” means an individual, a partnership, a corporation, a Governmental Body, a trustee, any unincorporated organization and the heirs, executors, administrators or other legal representatives of an individual and words importing “Person” have similar meaning;
  - (hh) “**Product**” means:
    - (i) All Ore shipped and sold prior to treatment; and
    - (ii) All concentrates, precipitates and products produced from Ore;
  - (ii) “**Property**” has the meaning set forth in the recitals hereto;
  - (jj) “**Regulatory Approval**” means any approval, consent, ruling, authorization, notice, sanction, order, exemption, permit, waiver, expiry of waiting period or acknowledgement that may be required from any Governmental Body pursuant to Applicable Law or under the terms of any Licence or the conditions of any Order or otherwise in connection with the transactions contemplated herein on the terms contemplated in this Agreement, or which is otherwise necessary to permit the Parties to perform their obligations under this Agreement;
  - (kk) “**Rules**” has the meaning given to that term in Section 19.1;
  - (ll) “**Transactions**” means, collectively, the grant of the Option, potential exercise thereof and the consideration therefor as described in Section 2.1;
  - (mm) “**Transfer**” has the meaning given to that term in Section 18.1; and
  - (nn) “**TSXV**” means the TSX Venture Exchange.
- 1.2 In this Agreement, unless something in the subject matter or context is inconsistent therewith:
- (a) all references in this Agreement to “articles”, “sections” and other subdivisions or Schedules are to the designated articles, sections or other subdivisions or Schedules of or attached to this Agreement;
  - (b) the words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular section or other subdivision;

- (c) the headings are for convenience only and do not form part of this Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Agreement;
- (d) the singular of any term includes the plural, and vice versa, the use of any term is equally applicable to any gender and, where applicable, a body corporate, the word “or” is not exclusive and the word “including” is not limiting (whether or not non-limiting language is used with reference thereto);
- (e) the words “written” or “in writing” include printing, typewriting or any electronic means of communication capable of being visibly reproduced at the point of reception including facsimile or e-mail;
- (f) any reference to a statute is a reference to the applicable statute and to any regulations made pursuant thereto and includes all amendments made thereto and in force from time to time and any statute or regulation that has the effect of supplementing or superseding such statute or regulation;
- (g) a “day” shall refer to a calendar day and in calculating all time periods the first day of a period is not included and the last day is included and references to a “business day” shall refer to days on which banks are ordinarily open for business in Vancouver, British Columbia, but if a period ends on a day on which the banks are not open for business in Vancouver, British Columbia, the period will be deemed to expire on the next calendar day on which banks are open for business in Vancouver, British Columbia; and
- (h) all references to currency are references to Canadian dollars unless otherwise indicated.

## 2. **OPTION**

2.1 The Optionors hereby grant to Libero the exclusive irrevocable right and option to acquire a 100% Interest in the Property, free and clear of all Encumbrances (the “**Option**”). In order for Libero to exercise the Option, Libero shall:

- (a) On the Closing Date:
  - (i) issue to the Optionors an aggregate of 100,000 Libero Shares; and
  - (ii) pay to the Optionors an aggregate of \$20,000.00 cash (the “**Closing Date Payment**”).
- (b) On or before 12 months after the Closing Date:
  - (i) issue to the Optionors an aggregate of 200,000 Libero Shares; and
  - (ii) pay to the Optionors an aggregate of \$30,000.00 cash.
- (c) On or before 24 months after the Closing Date:
  - (i) issue to the Optionors an aggregate of 300,000 Libero Shares; and
  - (ii) pay to the Optionors an aggregate of \$40,000.00 cash.

- (d) On or before 36 months after the Closing Date:
  - (i) issue to the Optionors an aggregate of 400,000 Libero Shares; and
  - (ii) pay to the Optionors an aggregate of \$50,000.00 cash.
- (e) On or before 48 months after the Closing Date:
  - (i) issue to the Optionors an aggregate of 1,000,000 Libero Shares; and
  - (ii) pay to the Optionors an aggregate of \$300,000.00 cash.

Libero shall satisfy any obligations under this Section 2.1 to make payments and issue Libero Shares to the Optionors collectively by allocating such payments or share issuances to each of the Optionors in accordance with Article 13.

- 2.2 Notwithstanding Section 2.1, Libero may exercise the Option in full, or in part, at any time following the Closing Date by providing the Optionors with either or both of the following, as applicable:
  - (a) the difference between \$440,000.00 cash and the amount paid pursuant to Section 2.1 at that time; and/or
  - (b) issuing to the Optionors the difference between 2,000,000 Libero Shares and the number of Libero Shares issued to the Optionors at that time.
- 2.3 Following the Closing Date, should there a consolidation, amalgamation or merger of Libero with or into any other body corporate, trust, partnership or other entity, or the acquisition of all of the issued and outstanding shares of Libero by any other body corporate, trust, partnership or other entity, the Optionors shall receive and shall accept, in lieu of the number of Libero Shares that the Optionors would otherwise be entitled to be issued, the number of shares or other securities, property or cash of Libero or of the body corporate, trust, partnership or other entity resulting from or party to such merger, amalgamation, consolidation or acquisition, as the case may be, that the Optionors would have been entitled to receive on such reclassification, capital reorganization, consolidation, amalgamation, merger or acquisition, if, on the record date or the effective date thereof, as the case may be, the Optionor had been the registered holder of the number of Libero Shares contemplated by Section 2.1.
- 2.4 The Optionors will take all necessary actions to transfer to and record in the name of Libero an undivided 100% legal interest in and to the Property in accordance with applicable laws as of the Closing Date.
- 2.5 The Optionors hereby acknowledge that the issuance of the Libero Shares hereunder is subject to applicable securities laws and the rules and policies of the TSXV, or any other stock exchange that the securities of Libero are listed on. In particular, the Libero Shares issued hereunder are being issued pursuant to an exemption from the prospectus and registration requirements of applicable securities law and will carry a legend indicating that the Libero Shares may not be transferred or sold for a period of four months and one day from date of issuance, unless permitted under applicable securities law. The Optionors agree to comply with any resale restrictions that may be imposed by the TSXV, or any other stock exchange that the securities of

Libero are listed on, or any applicable securities laws with respect to any Libero Shares that may be held by an Optionor. The Optionors further acknowledge that they will be prohibited under applicable securities law from trading in securities of Libero when they are in possession of any undisclosed information relating to the Property or relating to Libero and will be prohibited under applicable securities laws from disclosing such information to third parties before it is generally disclosed.

### 3. **ROYALTY**

3.1 Upon the due exercise of the Option by Libero and subject to Section 3.3, Libero will pay to the Optionors a 1.0% Net Smelter Returns Royalty (calculated in accordance with Schedule "B" hereto) on all proceeds received by Libero attributable to the production and sale of products derived from the Property, including for greater certainty, any Additional Property acquired pursuant to Article 10 (the "**Net Smelter Returns Royalty**"), subject to Libero's right to buy a portion of the Net Smelter Returns Royalty in accordance with Section 3.2.

3.2 Libero may, in its sole discretion, elect by notice in writing delivered to the Optionors to repurchase 0.5% of the Net Smelter Returns Royalty upon payment of \$10,000,000.00 to the Optionors.

In furtherance of the foregoing, the Optionors shall deliver to Libero such transfer documents, releases and such other assurances, certificates and documents as Libero may reasonably require.

3.3 Notwithstanding any other provision of this Agreement, Libero will not be under any obligation whatsoever to place the Property into commercial production and if the Property is placed into commercial production, Libero will have the right at any time to curtail, suspend or terminate such commercial production as Libero in its sole discretion deems advisable.

3.4 While the Net Smelter Returns Royalty is a contractual right insofar as any lands from which minerals produced are concerned, the parties intend that the Net Smelter Returns Royalty creates and operates as a grant of an interest to the Optionors in such minerals, in situ. Libero will provide to the Optionors, upon request, documentation suitable for having the Net Smelter Returns Royalty recorded or registered as against title to the Property.

### 4. **REPRESENTATIONS AND WARRANTIES**

4.1 Each of the Optionors jointly and severally represent and warrant to Libero that as of the date of this Agreement:

(a) if an individual, he or she has full power and authority to enter into this Agreement and any agreement or instrument referred to or contemplated by this Agreement, and to observe and perform his or her covenants and obligations hereunder;

(b) if a corporation, it is a valid and subsisting corporation duly continued under the laws of British Columbia and has full corporate power and authority to execute and deliver this Agreement and to observe and perform its covenants and obligations hereunder and has taken all necessary corporate proceedings and obtained all necessary approvals in respect thereof and, upon execution and delivery of this Agreement by it, this Agreement will constitute a legal, valid and binding obligation of such Optionor enforceable against it in accordance with its terms except that:

- (i) enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally;
  - (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court;
  - (iii) a court may stay proceedings before it by virtue of equitable or statutory powers; and
  - (iv) rights of indemnity and contribution hereunder may be limited under applicable law;
- (c) the execution of this Agreement and the consummation of the transactions contemplated hereby will not conflict with, result in a breach of or accelerate the performance required by any agreement to which he, she or it is a party;
  - (d) the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not result in a breach of any laws of any jurisdiction applicable or pertaining thereto;
  - (e) if a corporation, no proceedings are pending for, and such Optionor is unaware of any basis for the institution of any proceedings leading to, the dissolution or winding up of such Optionor or the placing of such Optionor in bankruptcy or matters subject to any other laws governing the affairs of insolvent persons;
  - (f) Divitiae and Lutynski are the sole registered, legal and beneficial owners of the claims comprising the Property as listed in Schedule "A" hereto, which are free and clear of all Encumbrances, and the Optionors have all necessary right, title and authority to grant or transfer to Libero the rights and interest in the Property provided for in this Agreement;
  - (g) the Optionors have not granted any other person any agreement or other right to acquire the Property or any portion thereof;
  - (h) Schedule "A" hereto accurately sets out all of the interests of the Optionors in the mineral claims comprising the Property set forth therein;
  - (i) all of the mineral claims or other interests constituting the Property set forth in Schedule "A" have been validly located and are validly held by the Optionors as set forth in Schedule "A", in accordance with applicable laws;
  - (j) there are no existing defaults by the Optionors relating to the Property, including any amendments to or modifications to such agreements;
  - (k) there has been no act or omission by the Optionors that could result by notice or lapse of time, or both, in the breach, termination, abandonment, forfeiture, relinquishment or other premature termination of any of the right, title and interest of the Optionors in the Property;
  - (l) there are no actions, suits, investigations or proceedings before any court, arbitrator, administrator, jury or other tribunal or government authority, whether current, pending or

threatened, which directly or indirectly relate to or affect the Property, nor are the Optionors aware of any acts that would lead them to reasonably suspect that any of the same might be initiated;

- (m) the rights comprising the Property are in good standing and the Optionors have not been advised of any proceedings to invalidate or assert an adverse claim or challenge against or to the ownership of or title to the Property;
- (n) there does not exist any royalty or other interest whatsoever, in the minerals contained in or any production from any part of the Property;
- (o) the Optionors have full and free legal access to and rights to conduct exploration activities on the Property;
- (p) there are no accrued and/or unpaid taxes, assessments and other payments in respect of the Property;
- (q) all work carried out by the Optionors on the Property has been carried out in compliance with all applicable laws, including Environmental Laws, and the Optionors have not received any notice of any breach of any such law;
- (r) the Optionors have provided Libero with access to all information in respect of the claims comprising the Property, including any scientific and technical data, assays, drill logs, samples, geological, geophysical, geochemical and engineering data;
- (s) all information made available by the Optionors to Libero in respect of the claims comprising the Property is true and correct and no material information has been withheld from Libero by the Optionors;
- (t) no consent or approval that has not been obtained is required to permit the execution and delivery of this Agreement by the Optionors or the performance of their obligations hereunder; and
- (u) each of the Optionors is or is deemed to be, pursuant to National Instrument 45-106 – *Prospectus Exemptions*, purchasing the Libero Shares which may be issued hereunder as principal for his, her or its own account, not for the benefit of any other person, for investment only and not with a view to the resale or distribution of all or any of the Libero Shares which may be issued hereunder.

4.2 Libero represents and warrants to the Optionors that as of the date of this Agreement:

- (a) it is a valid and subsisting corporation duly continued under the laws of British Columbia and has full corporate power and authority to execute and deliver this Agreement and to observe and perform its covenants and obligations hereunder and has taken all necessary corporate proceedings and obtained all necessary approvals in respect thereof and, upon execution and delivery of this Agreement by it, this Agreement will constitute a legal, valid and binding obligation of Libero enforceable against it in accordance with its terms except that:

- (i) enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally;
  - (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court;
  - (iii) a court may stay proceedings before it by virtue of equitable or statutory powers; and
  - (iv) rights of indemnity and contribution hereunder may be limited under applicable law;
- (b) no proceedings are pending for, and Libero is unaware of any basis for the institution of any proceedings leading to, the dissolution or winding up of Libero or the placing of Libero in bankruptcy or matters subject to any other laws governing the affairs of insolvent persons; and
- (c) the execution of this Agreement and the consummation of the transactions contemplated hereby will not conflict with, result in a breach of or accelerate the performance required by any agreement to which Libero is a party.
- 4.3 The representations and warranties herein set out are conditions on which the Parties have relied in entering into this Agreement. The representations and warranties set out herein shall survive the Effective Date.
- 4.4 The Optionors will jointly and severally indemnify and save Libero harmless from all loss, damage, costs, actions and suits arising out of or in connection with:
- (a) any breach of any representation, warranty, covenant, agreement or condition made by them and contained in this Agreement; and
  - (b) any act, matter, event or other circumstance that occurred or arose in connection with the Property prior to the Closing Date or following the termination date of this Agreement.
- 4.5 Libero will indemnify and save the Optionors harmless from all loss, damage, costs, actions and suits arising out of or in connection with:
- (a) any breach of any representation, warranty, covenant, agreement or condition made by it and contained in this Agreement; and
  - (b) any act, matter, event or other circumstance that occurred or arose in connection with the Property from the Closing Date to the termination date of this Agreement, if applicable.

## 5. **CLOSING AND CLOSING DATE**

- 5.1 The Closing Date Payment and transfer of legal title to the Property (the "**Closing**") shall occur on January 25, 2019, or such other date as may be agreed between the Parties (the "**Closing Date**"), and shall take place at the Closing Time on the Closing Date at the offices of Blake, Cassels & Graydon LLP, Libero's legal counsel, or such other place as may be agreed to by the Parties.

6. **CLOSING CONDITIONS**

6.1 The Parties' obligation to complete the Closing hereunder shall be subject to the following conditions, which conditions are for the benefit of both of the Parties and may only be waived, in whole or in part, by Libero and the Optionors in their sole discretion:

- (a) all required Consents and Regulatory Approvals to the Transactions shall have been received; and
- (b) there shall be no outstanding Order or Proceeding which has or may have the effect of enjoining or otherwise preventing the completion of any part of the Transactions.

6.2 Libero's obligation to complete the Closing hereunder shall be subject to the following conditions, which conditions are for the exclusive benefit of Libero and may be waived, in whole or in part, by Libero, in its sole discretion:

- (a) each of the representations and warranties of the Optionors contained in this Agreement shall be true and correct in all material respects as and when made and at and as of the Closing Time as though such representations and warranties were made at and as of the Closing Time;
- (b) all covenants, agreements and conditions of the Optionors contained in this Agreement to be completed prior to the Closing Time shall have been performed or completed in all material respects by the Optionors; and
- (c) Libero shall have received all of the deliveries contemplated in Section 7 as being deliverable to it.

6.3 The Optionors' obligation to complete the Closing hereunder shall be subject to the following conditions, which conditions are for the exclusive benefit of the Optionors and may be waived, in whole or in part, by the Optionors in their sole discretion:

- (a) each of the representations and warranties of Libero contained in this Agreement shall be true and correct in all material respects as and when made and at and as of the Closing Time as though such representations and warranties were made at and as of the Closing Time;
- (b) all covenants, agreements and conditions of Libero contained in this Agreement to be completed prior to the Closing Time shall have been performed or completed in all material respects by Libero; and
- (c) the Optionors shall have received all of the deliveries contemplated in Section 7 as being deliverable to them.

7. **CLOSING DELIVERIES**

7.1 At the Closing, the Optionors shall deliver or cause to be delivered to Libero the following:

- (a) evidence satisfactory to Libero that the Optionors have taken the necessary actions to transfer to and record in the name of Libero an undivided 100% legal interest in and to the Property in accordance with applicable laws as of the Closing Date;
- (b) such legal opinion of the Optionors' legal counsel, addressed to Libero and its legal counsel, dated as of the Closing Date, in the form and content acceptable to the Libero acting reasonably, with respect to title to and ownership rights in all of the properties comprising the Property;
- (c) a certificate of the Optionors, dated the Closing Date, and signed on behalf of each of the Optionors, and in respect of Divitiae without personal liability by an officer or director of Divitiae, certifying that: (i) the Optionors have complied with all covenants and satisfied all terms and conditions hereof to be complied with and satisfied by the Optionors at or prior to the Closing Time; and (ii) each of the representations and warranties of the Optionors contained herein is true and correct in all material respects as of the Closing Time with the same force and effect as if made at and as of the Closing Time; and
- (d) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by Libero to complete the transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to Libero, acting reasonably.

7.2 At the Closing, Libero shall deliver or cause to be delivered to the Optionors the following:

- (a) share certificates representing the Libero Shares referred to in Section 2.1(a)(i), registered as directed by the Optionors;
- (b) payment of the \$20,000.00 referred to in Section 2.1(a)(ii) to the Optionors;
- (c) a certificate of Libero, dated the Closing Date, and signed on behalf of Libero, but without personal liability, by an officer or director of Libero, certifying that: (i) Libero has complied with all covenants and satisfied all terms and conditions hereof to be complied with and satisfied by Libero at or prior to the Closing Time; and (ii) each of the representations and warranties of Libero contained herein is true and correct in all material respects as of the Closing Time with the same force and effect as if made at and as of the Closing Time; and
- (d) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Optionors to complete the transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to the Optionors, acting reasonably.

## 8. **EXPENDITURES**

8.1 All eligible Expenditures will be applied as assessment credits toward the Property with applicable governmental authorities. Libero will guarantee the first two years of assessment work from the Closing Date.

9. **AUTHORITY, DUTIES AND OBLIGATIONS**

9.1 For so long as Libero has the Option to acquire an Interest in the Property, Libero shall:

- (a) subject to complying with Section 15, remain the registered owner of the Property and not in any way encumber the Property other than as agreed to in writing by the Optionors, acting reasonably;
- (b) refrain from any conduct or activity, including any omission or failure to act, that might jeopardize title to or the status of the Property;
- (c) maintain the Property in good standing and pay all costs in respect thereof, and, if the Option is terminated or lapses, ensure that the Property is in good standing for one year thereafter;
- (d) comply with all applicable laws with respect to its activities on the Property; and
- (e) keep the Optionors reasonably informed as to the activities with respect to the Property including providing annual copies of all work, with interpretation, done on the Property.

9.2 For so long as Libero has the Option to acquire an Interest in the Property, each of the Optionors jointly and severally covenants with Libero that the Optionors shall:

- (a) refrain from any conduct or activity, including any omission or failure to act, that might jeopardize title to or the status of the Property or hinder the obligations of Libero to fulfil its obligations and rights under this Agreement;
- (b) co-operate as reasonably necessary with Libero in obtaining any surface, water or other rights on or related to the Property as Libero deems necessary or desirable;
- (c) make available to Libero and its representatives all records and files in their possession relating to the Property (which shall include, but not be limited to, any scientific and technical data, assays, drill logs, samples, geological, geophysical, geochemical and engineering data) and permit Libero and its representatives, at their own expense, to take abstracts therefrom and make copies thereof;
- (d) other than a Transfer in accordance with Section 18.1, not solicit offers or engage in any discussions with a third party relating to the ownership or development of the Property; and
- (e) provide Libero access to all Property-related information, including financial information and any notices, demands or other material communications they receive relating to the Property.

9.3 Any obligations of Libero under the Option with respect to payments to the Optionors may be satisfied in whole or in part by an affiliate of Libero.

9.4 This Agreement is an option only and except as herein specifically provided otherwise, nothing herein contained shall be construed as obligating Libero to do any acts or make any expenditures or payments hereunder, and any act or expenditure or payment as shall be made hereunder shall

not be construed as obligating Libero to do any further act or make any further issuance or expenditure or payment. Libero shall have no obligation to complete the exercise of the Option and may allow the Option to lapse without notice. Upon the lapse of the Option, Libero shall transfer the Property back to Divitiae and Lutynski in accordance with Section 15.2.

- 9.5 If by reason of any Intervening Event due to reasons beyond Libero's control, Libero is prevented or delayed from completing the exercise of the Option within the required time, such time within which Libero is required to complete the exercise of the Option shall be extended by the duration of such Intervening Event.
- 9.6 Forthwith after execution of this Agreement Divitiae and Lutynski may, at their expense, register on title to the Property, or elsewhere as permitted by applicable law, notice of their interest in this Agreement and their right to re-acquire legal title to the Property.
- 9.7 As soon as reasonably practicable following the Effective Date, Libero shall use commercially reasonable efforts to obtain the approval of the TSXV of this Agreement and the transactions contemplated hereunder on or before the day that is 90 days after the Effective Date, after which time unless the TSXV has approved the transactions contemplated by this Agreement, this Agreement will be terminated and of no further force or effect. If requested by Libero, the Optionors shall assist Libero with obtaining such approval by providing additional information or documentation as may be required by the TSXV.

10. **AREA OF INTEREST**

- 10.1 If, during the term of this Agreement, any Party, directly or indirectly, has the opportunity to stake or otherwise acquire any mineral interest or right of any nature whatsoever, located wholly or in part in the Area of Interest, the Party who has such opportunity (in this Article 10, the "**Acquiring Party**") shall notify the other Party (the "**Other Party**") in writing of that opportunity without undue delay, and, in any event, within 10 days of the opportunity arising, including the terms on which the mineral interest or right of any nature whatsoever is able to be acquired and an assessment of the likely benefits to the Parties. An Acquiring Party may stake a mineral interest or right in its own name if the Acquiring Party believes it is necessary to do so in order to preserve the opportunity to acquire such mineral interest or right. In such event the Acquiring Party will be staking the mineral claim subject to the right of the Other Party and if a decision is made to stake or acquire the mineral interest or right pursuant to Section 10.2, such mineral claim shall become subject to this Agreement and form part of the Property on the basis contemplated by Section 10.2. This clause does not apply to any mineral interest or right located wholly or in part in the Area of Interest that has already been staked or acquired by any Party, or that any Party has entered into a binding agreement to acquire, prior to the Effective Date.
- 10.2 The Other Party shall within 15 days from the date that the notice is given by the Acquiring Party pursuant to Section 10.1 decide whether the mineral interest or right of any nature whatsoever should be staked or acquired on behalf of the Parties. If a decision is made to stake or acquire any mineral interest or right wholly or in part in the Area of Interest, the Parties shall use commercially reasonable efforts to acquire or stake such mineral interest or right of any nature whatsoever which shall become subject to this Agreement and form part of the Property (the "**Additional Property**").
- 10.3 If the Acquiring Party is:

(a) the Optionors, Libero shall reimburse the Optionors in the amount of 100% of the cost of acquisition; and

(b) Libero, it shall not be entitled to reimbursement of its cost of acquisition.

10.4 If the Other Party decides the mineral right or interest in the Area of Interest should not be acquired as stated pursuant to Section 10.2, the Acquiring Party may itself acquire or stake such mineral claim on terms not more favourable to the Acquiring Party than those specified in the notice referred to in Section 10.1 within three months of the giving of such notice.

## 11. **SHARING OF INFORMATION & CONFIDENTIALITY**

11.1 Except as otherwise required by law or securities regulatory authorities, each Party will obtain prior comments from the other Party before issuing any press release or public statement: (a) using the other Party's name or the names of the other Party's assignees or of its officers, directors or employees or of its assignees, or (b) which contains confidential information. Where a request is made for such comments, a reply thereto will be made within 24 hours after receipt of such request, failing which the Party requesting will be entitled to issue its press release or public statement as if the other Party had given its consent thereto. If the Parties fail to agree upon the text of the press release or public statement, the Party making the disclosure will make only such public statement or release as its counsel advises in writing is legally required to be made or is otherwise reasonable in the circumstances.

11.2 The Parties further agree that this Agreement, the transactions contemplated herein and any information relating to the Property and the other Party will not be provided to any third party or used other than for the activities contemplated hereunder, except as required by law or by the rules and regulations of any regulatory authority (including stock exchange) having jurisdiction (in which case the Party required to disclose such information shall to the extent practical give the other Party an opportunity to review and provide reasonable comments on the disclosure), or with the written consent of the other Party, such consent not to be unreasonably withheld.

11.3 Consent to disclosure of information pursuant to this Article 11 will not be unreasonably withheld where a Party wishes to disclose any such information to a third party for the purpose of arranging financing, entering into a corporate transaction or for the purpose of selling its Interest or its rights as contemplated in this Agreement, provided that such third party first enters into a written agreement with the other Party that any such information not theretofore publicly disclosed will be kept confidential and not disclosed to others on terms satisfactory to the other Party acting reasonably.

## 12. **ASSOCIATION OF PARTIES**

12.1 Libero, on the one hand, and the Optionors, on the other hand, shall become associated only for the purposes set forth in this Agreement. Except as otherwise expressed in this Agreement, the rights and obligations of the Parties will be, in each case, several, and will not be or construed to be either joint or several. Nothing contained in this Agreement shall, except to the extent specifically authorized hereunder, be deemed to constitute a Party, a partner, an agent or legal representative of the other Party. It is intended that this Agreement shall not create the relationship of a partnership among the Parties and that no act done by any Party pursuant to the provisions hereof will operate to create such a relationship.

12.2 All transactions, contracts, employments, purchases, operations, negotiations with third parties and any other matter or act undertaken on behalf of the Parties in connection with the Property will be done, transacted, undertaken or performed in the name of the transacting Party only and no Party will do, transact, perform or undertake anything in the name of any other Party or in the joint names of the Parties.

12.3 Except as specifically provided hereunder:

- (a) each Party shall be at liberty to engage, for its own account and without duty to account to the other Party, in any mining or other business or activity outside the boundaries of the Property and the Area of Interest, including the ownership and operation of any other mining concessions, permits, licenses, claims and leases wherever located;
- (b) no Party shall be under any fiduciary or other duty or obligation to the other Party which will prevent or impede such Party from participating in, or enjoying the benefits of, competing endeavours of a nature similar to the business or activity undertaken by the Parties hereunder outside of the Property and the Area of Interest; and
- (c) the legal doctrines of “corporate opportunity” or “business opportunity” sometimes applied to persons occupying a relationship similar to that of the Parties will not apply outside of the boundaries of the Property and the Area of Interest with respect to participation by any Party in any mining or other business activity or endeavour.

13. **ALLOCATION**

13.1 Unless otherwise directed in writing by all of the Optionors, Libero shall satisfy any obligations hereunder to make payments (including, but not limited to, payments in respect of the Net Smelter Returns Royalty) or issue shares to the Optionors collectively by allocating any such payment or share issuance to each of the Optionors in accordance with the percentage set forth beside their name in the table below:

<b>Name</b>	<b>Percentage Entitlement</b>
Divitiae Resources Ltd.	50%
Piotr Lutynski	50%

The Optionors will each provide written notice to Libero of their banking details and other relevant information in respect of the holder identification requirements for the Libero Shares in advance of the due dates of any payments or issue of the Libero Shares. All payments to the Optionors shall be made by wire transfer of immediately available funds in accordance with wire transfer instructions to be provided to Libero by the Optionors.

14. **DEFAULT**

14.1 If any Party (a “**Defaulting Party**”) is in default of any requirement herein set forth, the Party affected by such default will give written notice to the Defaulting Party specifying the default and the Defaulting Party will not lose any rights under this Agreement, unless within 30 days after the giving of the first notice of default by an affected Party the Defaulting Party has failed to complete all required steps to cure the default by the appropriate performance and if the Defaulting Party fails within such period to take such steps to cure any such default, the affected Party will be entitled to seek any remedy it may have on account of such default including

terminating this Agreement and/or seeking the remedies of specific performance, injunction or damages.

15. **TERMINATION**

15.1 Subject to the terms of this Agreement, this Agreement terminates:

- (a) upon the written agreement of the Parties hereto;
- (b) if Libero fails to complete the Option in accordance with Section 2.1; or
- (c) at the election of an affected Party in accordance with Section 14.1.

15.2 Upon termination of this Agreement, Libero shall:

- (a) take the necessary actions to transfer to and record in the names of Divitiae and Lutynski, on a 50/50 basis as described in Schedule "A" hereto, an undivided 100% legal and beneficial interest in and to the Property in accordance with applicable laws; and
- (b) have no further obligations, financial, or otherwise, nor, be subject to any environmental or other liabilities caused on or related to the Property prior to the Closing Date or following the termination date of this Agreement.

15.3 Notwithstanding the termination of this Agreement, the indemnities contained in Article 4, the confidentiality provisions contained in Article 11 and all other provisions hereof necessary for the interpretation and enforcement thereof will remain in full force and effect.

16. **OBLIGATIONS AFTER TERMINATION OF OPTION**

16.1 Subject to Section 15.3, if this Agreement is terminated for any reason whatsoever prior to the exercise of the Option under this Agreement, but excluding this Article 16 (which will continue in full force and effect for so long as is required to give full effect to the same) this Agreement will be of no further force and effect except that Libero will leave the Property in good standing.

17. **EXERCISE OF OPTION**

17.1 Once Libero has satisfied its obligations in accordance with Section 2.1, Libero will have exercised the Option and acquired an undivided 100% right, title and interest in and to the Property and will give notice to the Optionors to that effect.

17.2 Following the exercise by Libero of the Option, Divitiae and Lutynski will remove any notice they have registered on title of the Property.

18. **TRANSFERS**

18.1 Subject to any assignment of the Net Smelter Returns Royalty effected in accordance with Section 8 of Schedule "B", the Optionors shall not transfer, convey, assign, mortgage, grant an option in respect of, grant a right to purchase or in any other manner dispose of or alienate any or all of their direct or indirect Interest in the Property or transfer or assign any of their rights under

this Agreement (a “**Transfer**”) without the prior written consent of Libero, which consent shall not be unreasonably withheld.

- 18.2 Subject to Section 18.5, Libero may Transfer its Interest in the Property or in this Agreement provided that Libero has delivered to the Optionors, or their successors or assigns, notice of the Transfer.
- 18.3 Notwithstanding Section 18.2, Libero shall not Transfer more than 50% of its Interest in and to the Property unless and until Libero has issued to the Optionors all Libero Shares required under Section 2.1 of this Agreement, except pursuant to a transaction contemplated in Section 2.3.
- 18.4 Nothing in Section 18.1, Section 18.2 or Section 18.3 applies to or restricts in any manner:
- (a) a disposition by the transferring party of all or a portion of its interests to an affiliate of the transferring party, provided that such affiliate first assumes and agrees to be bound by the terms of this Agreement and agrees with the other party in writing to retransfer the interests to the transferring party before ceasing to be an affiliate of the transferring party;
  - (b) an amalgamation, merger or other form of corporate reorganization involving or the acquisition of shares or assets of the transferring party which is a bona fide business transaction that has the effect in law of the amalgamated or surviving corporation possessing, directly or indirectly, substantially all the property, rights and interests and being subject to substantially all the debts, liabilities and obligations of the transferring party; or
  - (c) a sale, forfeiture, charge, withdrawal, transfer or other disposition or Encumbrance which is otherwise specifically required or permitted under this Agreement.
- 18.5 As a condition of any Transfer, the transferee must covenant and agree in writing to be bound by this Agreement, including this Article 18, and, prior to the completion of any such Transfer, the transferring party will deliver to the non-transferring party evidence thereof in a form satisfactory to the other party, acting reasonably, in which case the transferring party will be released from its obligations hereunder with the exception of any outstanding obligations arising prior to the Transfer, to the indemnities contained in Article 4 and the confidentiality provisions contained in Article 11, for which the transferring party will remain subject to and liable.

19. **DISPUTE RESOLUTION**

- 19.1 Any dispute, controversy or claim arising out of or relating to this Agreement or the reach, termination or invalidating thereof, shall be settled by arbitration of a single arbitrator in accordance with the then current domestic commercial arbitration rules of the BCICAC (the “**Rules**”).

20. **FORCE MAJEURE**

- 20.1 The obligations of a Party under this Agreement shall be suspended to the extent and for the period that performance is prevented by any cause, whether foreseeable or unforeseeable, beyond its reasonable control, including without limitation, acts of God; laws, instructions or requests of any government or governmental entity; judgments or orders of any court; acts of war or conditions arising out of or attributable to war, whether declared or undeclared; riot; civil strife,

terrorism, insurrection or rebellion; acts or claims of natives or aboriginals, or environmental or other activist group; flood, fire, explosion, earthquake, or subsidence; access or title to any of the Property; or any other cause similar to the foregoing (an “**Intervening Event**”). For greater certainty, in the case of an Intervening Event, Libero shall be permitted to suspend payment of any amounts required to be paid to the Optionors under this Agreement to the extent and for the period that the performance of the activities to be funded with such amounts is prevented by an Intervening Event.

- 20.2 A Party relying on the provisions of Section 20.1 will promptly give written notice to the other Party of the particulars of the Intervening Event and all time limits imposed by this Agreement will be extended from the date of delivery of such notice by a period equivalent to the period of delay resulting from an Intervening Event.
- 20.3 A Party relying on the provisions of Section 20.1 will take all reasonable steps to eliminate any Intervening Event and, if possible, will perform its obligations under this Agreement as far as commercially practical, but nothing herein will require such Party to settle or adjust any labour dispute or to question or to test the validity of any law, rule, regulation or order of any duly constituted governmental authority or to complete its obligations under this Agreement if an Intervening Event renders completion commercially impracticable. A Party relying on the provisions of Section 20.1 will give written notice to the other Party as soon as such Intervening Event ceases to exist.

21. **EXPENSES**

- 21.1 Each Party shall be responsible for the payment of its own costs and expenses, including legal fees and disbursements, incurred by it in connection with the negotiation and execution of this Agreement.

22. **NOTICES**

- 22.1 Any notice, direction or other instrument required or permitted to be given under this Agreement will be in writing and may be given by the delivery of the same or by mailing the same by prepaid registered or certified mail or by sending the same by mail, e-mail, facsimile or other similar form of communication, in each case addressed as follows:

- (a) If to Libero at:

Suite 905 – 1111 West Hastings Street  
Vancouver, BC  
V6E 2J3

Attention: Ian Slater, Chairman and Chief Executive Officer  
Email: [slater@liberocopper.com](mailto:slater@liberocopper.com)

with a copy (which shall not constitute notice) to:

Blake, Cassels & Graydon LLP  
595 Burrard Street, P.O. Box 49314  
Suite 2600, Three Bentall Centre  
Vancouver, British Columbia, V7X 1L3

Attention: Bob Wooder  
E-mail: bob.wooder@blakes.com  
Facsimile: 604-631-3330

(b) If to Divitiae at:

[REDACTED]  
[REDACTED]  
[REDACTED]

Attention: Adrian Smith  
E-mail: [REDACTED]

(c) If to Lutynski at:

[REDACTED]  
[REDACTED]  
[REDACTED]

Attention: Piotr Lutynski  
Email: [REDACTED]

22.2 Any notice, direction or other instrument will:

- (a) if delivered, be deemed to have been given and received on the day it was delivered; and
- (b) if sent by e-mail, facsimile or other similar form of communication, be deemed to have been given and received on the business day following the day it was so sent.

22.3 A Party may at any time give to the other Party notice in writing of any change of address of the Party giving such notice and from and after the giving of such notice the address or addresses therein specified will be deemed to be the address of such Party for the purposes of giving notice hereunder.

23. **PERSONAL INFORMATION AUTHORIZATION**

23.1 Each Optionor acknowledges: (i) the delivery to the Ontario Securities Commission and British Columbia Securities Commission, as applicable, of the Optionor's full name, residential address and telephone number, the number and type of securities acquired by the Optionor hereunder, the total purchase price, the exemption relied on, and the date of distribution(s) (and the Optionor's insider or registrant status, in the case of the British Columbia Securities Commission); (ii) that such information is being collected indirectly by the Ontario Securities Commission and British Columbia Securities Commission under the authority granted to it in securities legislation; (iii) that such information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario and British Columbia; and (iv) that the Administrative Support Clerk at the Ontario Securities Commission, Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario M5H 3S8, telephone (416) 593-8314 and the British Columbia Securities Commission, Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, British Columbia, V7Y 1L2, telephone at (604) 899-6500 or 1-800-373-6393 can be contacted to answer questions

about the Ontario and British Columbia Securities Commissions' indirect collection of such information. Each Optionor hereby authorizes the indirect collection of such information by the Ontario Securities Commission and British Columbia Securities Commission, as applicable.

24. **GENERAL TERMS**

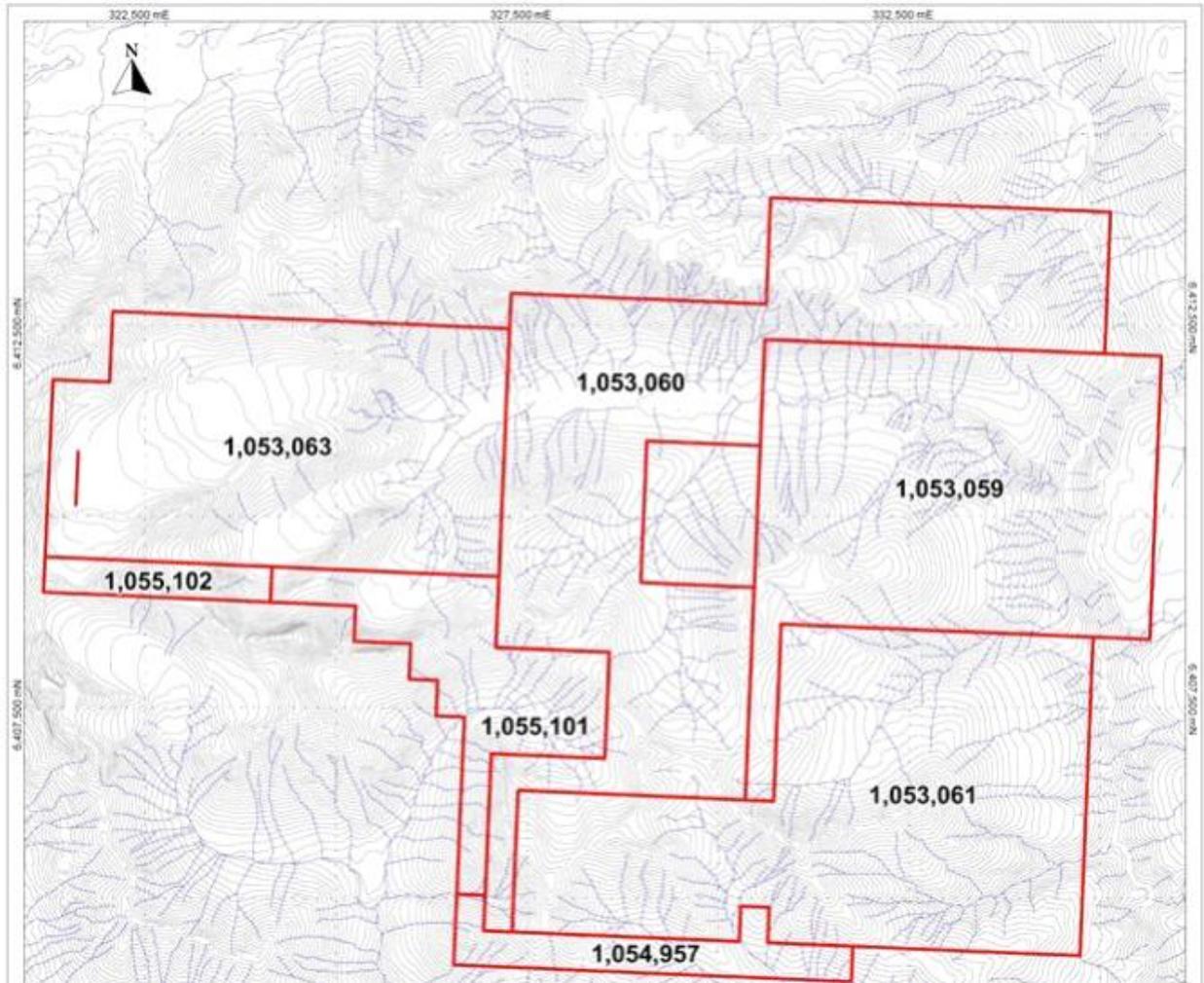
- 24.1 The Parties shall execute such further and other documents and do such further and other things as may be necessary or convenient to carry out and give effect to the intent of this Agreement.
- 24.2 Time will be of the essence in the performance of this Agreement.
- 24.3 This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. No Party may sell, assign, pledge or mortgage or otherwise encumber all or any part of its interest herein without the prior written consent of all the other Parties; provided that either Party may at anytime at its sole discretion and without the prior approval of the other Party assign and transfer any benefit or right herein to an affiliate of such transferring Party, subject at all times to the requirement that any such affiliate remain affiliated with such transferring Party failing which any such interest shall be immediately transferred back to such transferring Party; and provided further that any transfer of all or any part of a Party's interest herein to its affiliate will be accompanied by the written agreement of any such affiliate to assume the obligations of such transferring Party hereunder and to be bound by the express terms and conditions hereof.
- 24.4 This Agreement (including the Schedules hereto) constitutes the entire agreement between the Parties and, except as hereafter set out, replaces and supersedes all prior agreements, memoranda, correspondence, communications, negotiations and representations, whether oral or written, express or implied, statutory or otherwise between the Parties with respect to the subject matter herein, including, without limitation, the Letter of Intent.
- 24.5 This Agreement shall be governed by and construed according to the laws of British Columbia and the federal laws of Canada applicable therein.
- 24.6 Each of the Parties to this Agreement acknowledges and agrees that Blake Cassels & Graydon LLP has acted as counsel only to Libero and are not protecting the rights and interests of any other Party to this Agreement. The other Parties to this Agreement acknowledge and agree that Libero has given them the opportunity to seek, and have recommended that such Parties obtain, independent legal advice with respect to the subject matter of this Agreement and, further, each of the other Parties hereby represents and warrants to Libero that such party has sought independent legal advice or waives such advice. In the event that a party to this Agreement did not avail itself with the opportunity to receive legal advice prior to signing this Agreement, such party acknowledges confirms and agrees that such party did so voluntarily without any undue pressure and agrees that such party's failure to obtain independent legal advice will not be used as a defence to the enforcement of such party's obligations under this Agreement.
- 24.7 This Agreement may only be amended by the written agreement of all the Parties hereto and their permitted successors and assigns.
- 24.8 This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but each of which shall constitute one and the same instrument.



**SCHEDULE "A"**  
**POKER AND BIG RED PROPERTY CLAIMS AND AREA OF INTEREST**

**Tenure List:**

Title Number	Claim Name	Owner	Good To Date	Status	Area (ha)
1053059	EAST POKER 1	DIVITIAE RESOURCES LTD (50%) PIOTR LUTYNSKI (50%)	2020/MAR/15	GOOD	2017.62
1053060	EAST POKER 2	DIVITIAE RESOURCES LTD (50%) PIOTR LUTYNSKI (50%)	2020/MAR/15	GOOD	2586.45
1053061	EAST POKER 3	DIVITIAE RESOURCES LTD (50%) PIOTR LUTYNSKI (50%)	2020/MAR/15	GOOD	2313.17
1053063	POKER 1	DIVITIAE RESOURCES LTD (50%) PIOTR LUTYNSKI (50%)	2020/MAR/15	GOOD	1862.30
1054957	SOUTH POKER 1	DIVITIAE RESOURCES LTD (50%) PIOTR LUTYNSKI (50%)	2020/MAR/15	GOOD	276.34
1055101	POKER SOUTH 2	DIVITIAE RESOURCES LTD (50%) PIOTR LUTYNSKI (50%)	2020/MAR/15	GOOD	603.96
1055102	POKER SOUTH 3	DIVITIAE RESOURCES LTD (50%) PIOTR LUTYNSKI (50%)	2020/MAR/15	GOOD	138.01
<b>Total</b>					<b>9797.84</b>



**Area of Interest:**

The Area of Interest means the area on the ground between a line which is two kilometers outside the outermost boundaries of the Property, all as shown on the map set out above, provided that no additions to the Property pursuant to this Agreement shall cause the Area of Interest to be expanded.

**SCHEDULE “B”**  
**NET SMELTER RETURNS ROYALTY**

1. Pursuant to the Agreement to which this Schedule “B” is attached, the Net Smelter Returns Royalty which may be payable to the Optionors (the “**Payee**”) by Libero (the “**Payor**”) pursuant to Section 3.1 of the Agreement will be the Net Smelter Returns Royalty, equal to 1.0% of Net Smelter Returns, subject to Libero’s right to buy a portion of each of the Net Smelter Returns Royalty in accordance with Sections 3.2.

2. The “**Net Smelter Returns**” will be calculated on a quarterly basis and will, subject to paragraph 6 of this Schedule “B”, be equal to Gross Revenue less Permissible Deductions for such quarter.

3. The following words will have the following meanings:

(a) “**Gross Revenue**” means the aggregate of the following amounts received in each quarter:

- (i) the revenue received by the Payor from arm’s length purchasers of all Product;
- (ii) the fair market value of all Product sold by the Payor in such quarter to persons not dealing at arm’s length with the Payor; and
- (iii) any proceeds of insurance on Product; and

(b) “**Permissible Deductions**” means the aggregate of the following charges (to the extent that they are not deducted by any purchaser in computing payment) that are paid in each quarter:

- (i) direct sales charges levied by any fully arms-length sales agent on the sale of Product;
- (ii) transportation costs for Product from the Property to the place of beneficiation, processing or treatment and thence to the place of delivery of Product to a purchaser thereof, including shipping, freight, handling and forwarding expenses, which, for greater certainty, shall not include the transportation costs to ship Ore from the Property to the place of beneficiation, processing or treatment;
- (iii) all costs, expenses and charges of any nature whatsoever which are either paid or incurred by the Payor in connection with refinement or beneficiation of Product after leaving the Property or the control of the Payor, including all weighing, sampling, assaying and representation costs, metal losses, any umpire charges, and any penalties charged by the processor, refinery or smelter; and all insurance costs on Product, and any government royalties, production taxes, severance taxes and sales and other taxes levied on Ore, Product or on the production or value thereof (other than any Federal or Provincial taxes levied on the income or profit of the Payor), provided that where a cost or expense otherwise constituting a Permissible Deduction is incurred by the Payor in a transaction with a party with whom it is not dealing at arm’s length (as that term is defined in the *Income Tax Act* (Canada)), such cost or expense may be deducted, but only as to the lesser of the actual cost incurred by the

Payor or the fair market value thereof, calculated at the time of such transaction and under all the circumstances thereof.

4. The Net Smelter Returns Royalty will be calculated and paid within forty-five (45) days after the end of each quarter. Smelter settlement sheets and/or a statement setting forth calculations in sufficient detail to show the payment's derivation (the "**Quarterly Statement**") shall be submitted with the payment.

5.

(a) Within sixty (60) days following the end of each calendar year the Payor shall provide the Payee with a summary of the payments for the previous year in sufficient detail to show the payments' derivation (the "**Annual Statement**"). All Net Smelter Returns Royalty payments will be considered final and in full satisfaction of all obligations of the Payor with respect thereto, unless the Payee delivers to the Payor a written notice (the "**Objection Notice**") describing and setting forth a specific objection to the calculation thereof within sixty (60) days after receipt by the Payee of the Quarterly Statement or Annual Statement, as the case may be, (the "**Statements**"). If the Payee objects to a particular Statement as herein provided, the Payee will, for a period of sixty (60) days after the Payor's receipt of such Objection Notice, have the right, upon reasonable notice and at reasonable times, to have the Payor's accounts and records relating to the calculation of the payment in question audited by the auditors of the Payor (the "**Audit**") provided that, if the Payee objects to the results of the Audit, the Payee shall have the right to engage a qualified auditor at the Payee's cost to conduct a second audit (the "**Payee's Audit**").

(b) If through the audit process contemplated in paragraph 5(a) above, it is determined that there has been a deficiency or an excess in the payment made to the Payee, such deficiency or excess will be resolved by adjusting the next quarterly Net Smelter Returns Royalty payment due hereunder. The Payee will pay all the costs and expenses of such audit unless a deficiency of 5.0% or more of the amount due is determined to exist. The Payor will pay the cost and expenses of such audit if a deficiency of 5.0% or more of the amount due is determined to exist. All books and records used and kept by the Payor to calculate the Net Smelter Returns Royalty due hereunder will be kept in accordance with Canadian generally accepted accounting principles. Failure on the part of the Payee to make claim against the Payor for adjustment in such sixty (60) day period by delivery of an Objection Notice will conclusively establish the correctness and sufficiency of the Statement and payment on account of the Net Smelter Returns Royalty for such quarter.

6. All profits and losses resulting from the Payor engaging any commodity futures trading, option trading, metals trading, transactions with respect to Product which is a precious metal (collectively, "**Hedging Transactions**") are specifically excluded from calculations of the Net Smelter Returns Royalty pursuant to this Schedule "B" (it being the intent of the Parties that the Payor will have the unrestricted right to market and sell Product to third parties in any manner it chooses and that the Payee will not have any right to participate in such marketing activities or to share in any profits or losses therefrom). All Hedging Transactions by the Payor and all profits or losses associated therewith, if any, will be solely for the Payor's account, irrespective of whether or not Product is delivered in fulfillment of such obligations. The amount of Net Smelter Returns derived from all Product subject to Hedging Transactions by the Payor will be determined pursuant to the provisions of this paragraph 6 and not paragraph 2. As to precious metals subject to Hedging Transactions by the Payor, Net Smelter Returns will be determined

without reference to Hedging Transactions and will be determined by using, for gold, the monthly average price of gold, which will be calculated by dividing the sum of all London Bullion Market Association P.M. Gold Fix prices reported for the calendar months in the quarter in question by the number of days for which such prices were quoted, and for silver, the monthly average price of silver, which will be calculated by dividing the sum of all New York Commodity Exchange (“COMEX”) prices for silver quoted by and at the closing of COMEX reported for the calendar months in the quarter in question by the number of days for which such prices were quoted, less, in each case, an amount reasonably equivalent to the deductions permitted by paragraph 3(b). As to other metals subject to Hedging Transactions by the Payor, Net Smelter Returns will be determined without reference to the Hedging Transactions and will be determined by using the monthly average price of such metal on a source generally accepted in the industry as accurately reflecting the price of such metal on the open market and shall be calculated by dividing the sum of the closing prices of such metal for the calendar months in the quarter in question by the number of days for which such prices were quoted, less, in each case, an amount reasonably equivalent to the deductions permitted by paragraph 3(b). Any Product subject to Hedging Transactions will be deemed to be sold, and revenues received therefrom, only on the date of final settlement of the amount of refined Product allocated to the account of the Payor by a third party refinery in respect of such transactions. All values for determining currency exchange to Canadian Dollars shall be applied from those published for closing on the relevant day on the Kitco website, or such other publicly available published values as the parties may determine.

7. If the Net Smelter Returns Royalty becomes payable to two or more parties, those parties will appoint, and will deliver to the Payor a document executed by all of those parties appointing, a single agent or trustee of all such parties to whom the Payor will make all payments on account of the Royalty Interest. The Payor will have no responsibility as to the division of the Net Smelter Returns Royalty payments among such parties, and if the Payor makes a payment or payments on account of the Net Smelter Returns Royalty in accordance with the provisions of this paragraph 7, it will be conclusively deemed that such payment or payments have been received by the parties entitled thereto. All charges of the agent or trustee will be borne solely by the parties receiving payments on account of the Net Smelter Returns Royalty.

8.

- (a) If the Payee intends to assign or transfer any or all of its rights of any nature whatsoever with respect to the Net Smelter Returns Royalty, which is not a transfer to an affiliate, the Payee shall first give notice to the Payor of such intention together with the terms and conditions on which it intends to transfer the Net Smelter Returns Royalty. If the Payee receives any offer to transfer the Net Smelter Returns Royalty which it intends to accept, it shall not accept the same unless and until the Payee has first offered to transfer the Net Smelter Returns Royalty to the Payor on the same terms and conditions as in the offer received and the same has not been accepted within 10 days by the Payor in accordance with this paragraph 8.
- (b) Any communication of an intention to transfer pursuant to this paragraph 8 (the “Offer” for the purposes of this paragraph 8 only) shall be delivered in accordance with Article 22 of the Agreement and shall:
  - (i) set out fully and clearly all the terms and conditions of any intended transfer; and

- (ii) include a photocopy of the Offer and clearly identify the offering party and include such information as is known by the Payee about such offering party, and such communication shall be deemed to constitute an Offer by the Payee to the Payor to transfer the Net Smelter Returns Royalty to the Payor on the terms and conditions set out in such Offer.
- (c) Any Offer made as contemplated in this paragraph 8 shall be open for acceptance by the Payor for a period of 10 days from the date of receipt of the Offer by the Payor.
- (d) If the Payor accepts the Offer within the required time such acceptance shall constitute a binding agreement between the Payee and the Payor to transfer the Net Smelter Returns Royalty on the terms and conditions set out in the Offer.
- (e) If the Payor does not accept the Offer within the required time the Payee may complete a transfer of the Net Smelter Returns Royalty on the same terms and conditions set out in the Offer and, where applicable, only to the party making the original Offer and in any event such transfer must be completed within 60 days from the expiration of the right of the Payor to accept such Offer or the Payee must again comply with the provisions of this paragraph 8 with respect to the Net Smelter Returns Royalty. While any Offer is outstanding no other Offer may be made until the first mentioned Offer is disposed of and any sale resulting therefrom completed in accordance with the provisions of this paragraph 8.