

AMENDED AND RESTATED ASSET PURCHASE AGREEMENT

SILVER RANGE RESOURCES LTD.

- and -

SILVER47 EXPLORATION CORP.

November 2, 2021

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AMENDED AND RESTATED ASSET PURCHASE AGREEMENT

THIS AMENDED AND RESTATED ASSET PURCHASE AGREEMENT dated November 2, 2021.

BETWEEN:

Silver Range Resources Ltd., a company incorporated
under the laws of the Province of British Columbia

(the “**Seller**”)

AND:

Silver47 Exploration Corp., a company amalgamated
under the laws of the Province of British Columbia

(the “**Purchaser**”)

WHEREAS:

- A. The Seller is the beneficial owner of a 100% interest in the claims comprising the Property (as defined herein);
- B. The Seller wishes to sell to the Purchaser, and the Purchaser wishes to purchase from the Seller, the Property subject to and in accordance with the terms and conditions of this Agreement; and
- C. The Parties entered into an Asset Purchase Agreement dated February 19, 2021 (the “**Original Agreement**”) in respect to the purchase and sale of the Property, which the Parties wish to amend and restate in its entirety with this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and mutual covenants and agreements hereinafter contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 **Definitions.** In this Agreement, including the Recitals to this Agreement, unless the context otherwise requires:

- (1) “**Affiliate**” has the meaning set out in subsection 1(2) of the *Securities Act* (British Columbia).
- (2) “**After Acquired Properties**” means any and all direct, indirect, legal or beneficial interest in any mining claims, leases or other forms of mineral tenure or interests acquired by or on behalf of the Purchaser hereto during the currency of this Agreement and located within two (2) kilometres of the outer perimeter of any of the mining claims comprising the Property;

- (3) **“Agreement”** means this amended and restated asset purchase agreement, including all schedules to this asset purchase agreement, as amended, supplemented, restated and replaced from time to time in accordance with its provisions.
- (4) **“Applicable Law”** means:
- (a) any domestic (federal, provincial, territorial or municipal) statute, law (including common law), code, ordinance, rule, regulation, restriction or by-law (zoning or otherwise);
 - (b) any judgment, order, writ, injunction, directive, decision, ruling, decree or award;
 - (c) any regulatory policy, practice or guideline; or
 - (d) any published administrative position;
- of any Governmental Authority, binding on the Person referred to in the context in which the term is used or binding on the property of that Person referred to in the context in which the term is used.
- (5) **“Archer Cathro”** means Archer, Cathro & Associates (1981) Limited, a private mineral exploration consulting firm based in Vancouver, British Columbia and Whitehorse, Yukon Territory.
- (6) **“Business Day”** means any day, except Saturdays and Sundays, on which banks are generally open for business in Vancouver, British Columbia, Canada.
- (7) **“Closing”** means the completion of the Transaction on the Closing Date in accordance with this Agreement.
- (8) **“Closing Date”** means three (3) Business Days following the satisfaction of the conditions in Article 4 by the Purchaser and the Seller, or such earlier date agreed by the Parties in writing.
- (9) **“Commercial Production”** means the first day of the month following the month in which Mineral Products from a mine at the Property have been extracted and processed to yield product for sixty (60) consecutive days at a rate, averaged over such sixty (60) day period, of not less than sixty percent (60%) of the average daily rate projected by the feasibility study pursuant to which a mine is developed. The processing or shipping of bulk samples for testing purposes shall not be considered for the purpose of establishing the commencement of Commercial Production.
- (10) **“Constating Documents”** means, with respect to any Person, its articles or certificate of incorporation, amendment, amalgamation or continuance, memorandum and articles of association, letters patent, supplementary letters patent, by-laws, partnership agreement, limited liability company agreement or other similar document.

- (11) **“Contract”** means any agreement, contract, indenture, lease, occupancy agreement, deed of trust, licence, option, undertaking, promise or any other commitment or obligation, whether oral or written, express or implied.
- (12) **“Effective Time”** means 4:00 p.m. (Pacific) on the Closing Date or any other time on the Closing Date as may be agreed by the Parties in writing.
- (13) **“Encumbrance”** means any charge, claim, mortgage, lien, option, pledge, security interest or other restriction of any kind and any agreement, right, option or privilege capable of becoming the foregoing.
- (14) **“Excluded Liabilities”** means, to the knowledge of the Seller in relation to the Property:
 - (a) any liability of the Seller to any bank or other financial institution by way of loan or other credit facility;
 - (b) any liability of the Seller for any personal injury claims arising by reason of the occurrence on or before the Closing Date of any injury, accident or other alleged damage-causing event with respect to the operations of the Seller on or before the Closing Date that provide the basis for a personal injury claim after the Closing Date;
 - (c) any liability of the Seller to its shareholders, Affiliates or associates or any other Person not dealing at arm’s length with any of them;
 - (d) any liability of the Seller for any breach by the Seller of any laws relating to the exploration of the Property up to the Closing Date;
 - (e) any liability of the Seller for any Taxes (including penalties, fines and interest); and
 - (f) any liability of the Seller for wages, salary, bonus, vacation pay or other remuneration, severance pay, pension obligations or other obligations, or for any claims pursuant to workers’ compensation or similar laws, relating to any employee while employed, engaged or retained by the Seller in related to the operation and use of the Property.
- (15) **“Feasibility Study”** has the meaning ascribed to such term by the Canadian Institute of Mining, Metallurgy and Petroleum, as the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council, as amended.
- (16) **“Governmental Authority”** means any domestic government, whether federal, provincial, territorial, local, regional, municipal, or other political jurisdiction, and any agency, authority, instrumentality, court, tribunal, board, commission, bureau, arbitrator, arbitration tribunal or other tribunal, or any quasi-governmental or other entity, insofar as it exercises a legislative, judicial, regulatory, administrative, expropriation or taxing power or function of or pertaining to government.

- (17) **“Interim Period”** means the period from the date of this Agreement to the earlier of: (i) the Closing Date and (ii) termination of this Agreement.
- (18) **“Material Adverse Effect”** means any change or effect that material adversely affects any Party’s ability to consummate the Transaction.
- (19) **“Milestone Payment”** has the meaning attributed to that term in Section 2.4(1).
- (20) **“Mineral Products”** means all Precious Metals and Non-precious Metals.
- (21) **“Non-precious Metals”** means all base metals and metals, uncommon nonferrous metals and minerals, rare earth elements and minerals, all non-metallic minerals including diamonds, all industrial minerals and all ores, concentrates, beneficiated products, and solutions containing any of the afore mentioned metals or minerals, and all forms in which such metals or minerals may occur, be found, extracted or produced on, in or under the Property.
- (22) **“Net Smelter Returns”** has the meaning attributed to that term in the Royalty Agreement.
- (23) **“Net Smelter Royalty”** means 1.0% of Net Smelter Returns related to all Mineral Products from Commercial Production from any mine located on the Property, the calculation and payment of which is more particularly described in the Royalty Agreement.
- (24) **“Outside Date”** means March 1, 2022.
- (25) **“Parties”** means collectively, the Purchaser and the Seller, and **“Party”** means any of them.
- (26) **“Permits”** means all the licences, permits, certificates, approvals, consents, registrations, orders, grants and other authorizations related to the Property.
- (27) **“Permitted Encumbrances”** means:
 - (a) easements, rights of way and servitude for highways and other transportation or utilities routes;
 - (b) the right reserved to or vested in any Governmental Authority under the terms of any lease, license or permit granted in respect of the Property, or by any statutory provision, to terminate any such lease, license or permit or to require annual or other periodic payments as a condition of the continuance of them, as well as all other reservations, limitations, provisos and conditions in any original grant from Governmental Authorities;
 - (c) the right of any Governmental Authority to levy taxes on minerals or the revenue therefrom and governmental restrictions on production rates on the operation of a mine on the Property, as well as all other rights vested in any Governmental Authority to control or regulate the Property and any development thereof pursuant to Applicable Laws; or

- (d) liens incurred, created and granted in the ordinary course of business to a public utility or Governmental Authority in connection with operations conducted with respect to the Property, but only to the extent those liens relate to costs for which payment is not due.
- (28) **“Person”** is to be broadly interpreted and includes an individual, a corporation, a partnership, a joint venture, a trust, an association, a syndicate, an unincorporated organization, a Governmental Authority, an executor or administrator or other legal or personal representative, or any other juridical entity.
- (29) **“Precious Metals”** means gold, silver, platinum, palladium, osmium, rhodium, ruthenium and iridium, all minerals containing such metals and all ores, concentrates, beneficiated products and solutions containing any of the afore mentioned metals and all forms in which such metals may occur, be found, extracted or produced on, in or under the Property.
- (30) **“Proceeding”** means:
 - (a) any suit, action, dispute, investigation, claim, arbitration, order, summons, citation, directive, charge, demand or prosecution, whether legal or administrative;
 - (b) any other proceeding; or
 - (c) any appeal or application for review;at law or in equity or before or by any Governmental Authority.
- (31) **“Production Decision”** means a decision made by the board of directors of the Purchaser to commence the development of a mine on the Property in accordance with a Feasibility Study.
- (32) **“Property”** means the Michelle Property in the Yukon, consisting of those 782 Yukon quartz mining claims listed in Schedule “A” to this Agreement.
- (33) **“Property Data”** means all data related to the Property in the possession of the Seller, including all digital data and paper form of information related to the Property and not limited to but including maps, surveys, section drawings, plots, assays, drilling results, geophysical, geological, geochemical, geotechnical, metallurgical, underground workings information, mining records and for greater certainty any and all information related to the Property in the possession of the Seller, including all historical maps, sections, drawings surface or underground, assays, drill results and any recent exploration results including geophysical, geochemical and geological information.
- (34) **“Purchased Shares”** has the meaning attributed to that term in Section 2.3.
- (35) **“Purchase Price”** has the meaning attributed to that term in Section 2.3.
- (36) **“Purchaser”** means Silver47 Exploration Corp., a company incorporated under the laws of the Province of British Columbia.

- (37) **“Purchaser’s Counsel”** means DLA Piper (Canada) LLP.
- (38) **“Representatives”** means, with respect to any Party, such Party’s respective directors, officers, employees, agents and other representatives and advisors.
- (39) **“Royalty Agreement”** means the royalty agreement between the Purchaser and the Seller in the form attached as Schedule “B” hereto.
- (40) **“S47 Shares”** means common shares in the capital of the Purchaser.
- (41) **“Seller”** means Silver Range Resources Ltd., a company incorporated under the laws of the Province of British Columbia.
- (42) **“Seller’s Counsel”** means Tupper Jonsson & Yeadon, Barristers & Solicitors.
- (43) **“Taxes”** means taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever imposed by any Governmental Authority, and **“Tax”** has a corresponding meaning.
- (44) **“Transaction”** means the purchase and sale of the Property and all other transactions contemplated by this Agreement.
- (45) **“VWAP”** means the volume weighted average price of S47 Shares on the most senior exchange or quotation system on which S47 Shares are traded for the ten (10) trading days prior to the relevant date.

1.2 **Construction.** This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting party does not apply to the construction or interpretation of this Agreement.

1.3 **Certain Rules of Interpretation.** In this Agreement:

- (a) the division into Articles and Sections and the insertion of headings and the Table of Contents are for convenience of reference only and do not affect the construction or interpretation of this Agreement; and
- (b) unless specified otherwise or the context otherwise requires, references to any Article, Section or Schedule are references to the Article or Section of, or Schedule to, this Agreement.

1.4 **Knowledge.** In this Agreement, any reference to the knowledge of any Party means to the best of the knowledge, information and belief of the Party after reviewing all relevant records and making due inquiries regarding the relevant matter of all relevant Representatives of the Party.

1.5 **Performance on Business Days.** If any action is required to be taken pursuant to this Agreement on or by a specified date that is not a Business Day, the action is valid if taken on or by the next succeeding Business Day.

1.6 **Currency and Payment.** In this Agreement, unless specified otherwise:

- (a) references to dollar amounts or "\$" are to Canadian dollars; and
- (b) except in the case of any payment due on the Closing Date, any payment due on a particular day must be received and available by 4:00 p.m. on the due date and any payment received and available after that time is deemed to have been made and received on the next succeeding Business Day.

1.7 **Schedules.** The Schedules hereto form part of this Agreement.

ARTICLE 2 PURCHASE AND SALE

2.1 **Amendment and Restatement.** The Parties hereby agree to amend and restate the Original Agreement with this Agreement and this Agreement shall replace and supersede the Original Agreement in its entirety in respect to the obligations of the Parties.

2.2 **Agreement to Purchase and Sell.** In consideration for the Purchase Price and subject to the terms and conditions of this Agreement, as of the Effective Time, the Seller will sell, transfer, convey and assign to the Purchaser and the Purchaser will purchase and acquire from the Seller, all of the Seller's right, title and interest in and to the Property, free and clear of all Encumbrances, other than Permitted Encumbrances and the Net Smelter Royalty.

2.3 **Purchase Price.** At Closing and subject to the terms and conditions of this Agreement, the Purchaser will pay to the Seller the purchase price (the "**Purchase Price**") for the Property by:

- (a) delivering 5,650,000 S47 Shares (the "**Purchased Shares**") to the Seller, representing 19.9% of the issued and outstanding S47 Shares on the Closing Date, at a deemed price of \$0.50 per Purchased Share; and
- (b) granting the Net Smelter Royalty to the Seller in accordance with the provisions of this Agreement and as more particularly set out in the Royalty Agreement.

2.4 **Milestone Payment and Royalty Interests.**

- (1) Milestone Payment. If the Purchaser makes a Production Decision in respect of a resource of at least 80 million ounces of silver, the Purchaser will pay to the Seller a milestone payment of \$1,000,000 (the "**Milestone Payment**") in cash or S47 Shares at the Purchaser's election, provided that the actual number of any S47 Shares to be delivered under this Section 2.4 will be that number of S47 Shares as calculated by dividing the applicable dollar amount by the applicable VWAP.
- (2) ROFR on Royalty. The Purchaser (including any assignee of the Purchaser) will have a right of first refusal on any sale or other transfer of the Net Smelter Royalty by the Seller, all as more particularly set out in the Royalty Agreement.

2.5 **Transfer Taxes.** The Purchaser will pay to the Seller or, where permitted by Applicable Law, directly to the appropriate Governmental Authorities, all sales and transfer taxes, registration charges and transfer fees, including general sales tax, payable by it in respect of the purchase and sale of the Property under this Agreement, and, on request of the Seller, the Purchaser will

furnish to the Seller proof of direct payment to a Governmental Authority. After the Effective Date, the Purchaser will indemnify and save harmless the Seller from any amounts, including interest and penalties, that may be assessed against the Seller arising out of the failure of the Purchaser to pay, when due, any Taxes described in this Section 2.5.

2.6 Excluded Liabilities. Effective as of the Effective Time, the Purchaser will, incidental to the acquisition of the Property, pay when due, perform and discharge all obligations on and of the Property from and after the Closing Date but, for greater certainty, the Purchaser will not assume, pay, perform, or discharge any of the Excluded Liabilities or any other liabilities or obligations of the Seller resulting from the exploration or other activities on the Property prior to the Closing Date, all of which are the responsibility of the Seller.

ARTICLE 3 CLOSING ARRANGEMENTS

3.1 Closing. Subject to the satisfaction or waiver by the applicable Party of the conditions set out in Article 4, the Parties will hold the Closing on the Closing Date, at such time as agreed to by the Seller and the Purchaser and at the offices of the Seller's Counsel in Vancouver, British Columbia or at such other place as agreed to by the Seller and the Purchaser.

3.2 Seller's Closing Deliveries. At Closing, the Seller will deliver or cause to be delivered to the Purchaser all certificates, agreements, documents and instruments as required under Section 4.1(1)(c).

3.3 Purchaser's Closing Deliveries. At Closing, the Purchaser will deliver or cause to be delivered to the Seller all payments, certificates, agreements, documents and instruments as required under Section 4.2(1)(d).

ARTICLE 4 CONDITIONS OF CLOSING

4.1 Conditions for the Benefit of the Purchaser.

- (1) The Purchaser will be obliged to complete the Transaction only if each of the following conditions precedent has been satisfied in full at or before the Effective Time:
 - (a) all of the representations and warranties of the Seller made in this Agreement are true and correct as of the Effective Time with the same effect as if made on and as of the Effective Time (except as those representations and warranties may be affected by events or transactions expressly permitted by or resulting from the entering of this Agreement);
 - (b) the Seller has complied with or performed all of the obligations, covenants and agreements under this Agreement to be complied with or performed by the Seller on or before the Effective Time, to the satisfaction of the Purchaser, acting reasonably;
 - (c) the Seller has caused to be delivered to the Purchaser:

- (i) such instruments or agreements of sale, transfer, conveyance, assignment or delivery, in registrable form or otherwise, in respect of the Property, as the Purchaser may reasonably require to effect the full and effective sale, transfer, conveyance, assignment or delivery thereof to the Purchaser (including, without limiting the generality of the foregoing, deeds of conveyance, bills of sale, transfers and assignments, as may be required by the Purchaser, acting reasonably, appropriate to vest good and marketable title to the Property in the Purchaser to the extent contemplated by this Agreement, and immediately registrable in all places where registration of such instruments is required);
 - (ii) all Property Data;
 - (iii) all necessary consents requested by the Purchaser, acting reasonably, to transfer the Property to the Purchaser without resulting in any violation of Applicable Law or default under, or any termination, amendment or acceleration of any Contract, including the consent of any Governmental Authority;
 - (iv) a certificate of the Seller to the effect that its representations and warranties set out in Section 5.1 are true and correct as of the Effective Time and that it has fulfilled or complied with its covenants and other obligations set out in this Agreement required to be fulfilled or complied with by it on or prior to the Effective Time, and that a Material Adverse Effect has not occurred in relation to the Property;
 - (v) a certificate of a senior officer of the Seller certifying the Constatting Documents of the Seller, certifying the resolutions of the board of directors and/or shareholders (if required by Applicable Law) of the Seller authorizing the execution, delivery and performance of this Agreement and of all contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered by the Seller, and certifying the incumbency and signatures of the officers of the Seller executing this Agreement and any other document relating to the Transaction; and
 - (vi) such other documents, certificates and other instruments as would be usual in respect of the Transaction contemplated by this Agreement.
- (2) Each of the conditions set out in Section 4.1(1) is for the exclusive benefit of the Purchaser and the Purchaser may waive compliance with any such condition in whole or in part by notice in writing to the Seller, except that no such waiver operates as a waiver of any other condition.

4.2 **Conditions for the Benefit of the Seller.**

- (1) The Seller will be obliged to complete the Transaction only if each of the following conditions precedent has been satisfied in full at or before the Effective Time:

- (a) all of the representations and warranties of the Purchaser made in this Agreement are true and correct as of the Effective Time with the same effect as if made on and as of the Effective Time (except as those representations and warranties may be affected by events or transactions expressly permitted by or resulting from the entering of this Agreement);
 - (b) the Purchaser will have complied with or performed all of the obligations, covenants and agreements under this Agreement to be complied with or performed by the Purchaser on or before the Effective Time to the satisfaction of the Seller, acting reasonably;
 - (c) the Royalty Agreement will be executed and delivered to the Seller;
 - (d) the Purchaser has caused to be delivered to the Seller the following:
 - (i) a certificate of good standing of the Purchaser, dated the Closing Date, issued by the BC Registrar of Companies;
 - (ii) a certificate of a senior officer of the Purchaser certifying the Constatng Documents of the Purchaser, certifying the resolutions of the board of directors of the Purchaser authorizing and approving the allotment and issuance of the Purchased Shares to the Seller and authorizing the execution, delivery and performance of this Agreement and of all contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered by the Purchaser, and certifying the incumbency and signatures of the officers of the Purchaser executing this Agreement and any other document relating to the Transaction;
 - (iii) evidence of issuance and delivery of the Purchased Shares to the Seller, as contemplated by Section 2.3;
 - (iv) a certificate of the Purchaser to the effect that its representations and warranties set out in Section 5.2 are true and correct as of the Effective Time, that it has fulfilled or complied with its covenants and other obligations set out in this Agreement required to be fulfilled or complied with by it on or prior to the Effective Time, and that a Material Adverse Effect has not occurred to the Purchaser;
 - (e) the Purchaser will have registered the Seller as the registered owner of the Purchased Shares on the central securities register of the Purchaser on an uncertificated basis and will have provided evidence thereof in form and substance satisfactory to the Seller; and
 - (f) the Purchaser will have caused to be delivered to the Seller such other documents, certificates and other instruments as would be usual in respect of the transaction contemplated by this Agreement.
- (2) Each of the conditions set out in Section 4.2(1) is for the exclusive benefit of the Seller and the Seller may waive compliance with any such condition in whole or in

part by notice in writing to the Purchaser, except that no such waiver operates as a waiver of any other condition.

4.3 Waiver of Conditions of Closing. If any of the conditions set forth in Section 4.1 has not been satisfied, the Purchaser may elect in writing to waive the condition and proceed with the completion of the Transaction and, if any of the conditions in Section 4.2 has not been satisfied, the Seller may elect in writing to waive the condition and proceed with the completion of the Transaction. Any such waiver and election by the Purchaser or the Seller, as the case may be, will only serve as a waiver of the specific closing condition and the other Party will have no liability with respect to the specific waived condition.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of the Seller. The Seller represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying on these representations and warranties in connection with its purchase of the Property and that the Purchaser would not purchase the Property without these representations and warranties:

- (1) Organization and Corporate Power. The Seller is duly incorporated and organized, and is validly subsisting, under the laws of the Province of British Columbia, and is up-to-date in the filing of all corporate and similar returns under the laws of that jurisdiction. The Seller has all necessary corporate power and authority to own or lease or dispose of the Property, to enter into this Agreement and the Contracts, agreements and instruments required by this Agreement to be delivered by it, and to perform its obligations hereunder and thereunder.
- (2) Authorization. All necessary corporate action has been taken by the Seller to authorize its execution and delivery of this Agreement and the Contracts, agreements and instruments required by this Agreement to be delivered by it and the performance of its obligations hereunder and thereunder.
- (3) Enforceability. This Agreement has been duly executed and delivered by the Seller and (assuming due execution and delivery by the Purchaser) is a legal, valid and binding obligation of the Seller enforceable against it in accordance with its terms, except as that enforcement may be limited by 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. Each of the Contracts, agreements and instruments required by this Agreement to be delivered by the Seller will at the Closing have been duly executed and delivered by it and (assuming due execution and delivery by the other parties thereto) will be enforceable against it in accordance with its terms, except as that enforcement may be limited by bankruptcy, insolvency and other 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.
- (4) Beneficial Ownership of Property. The Seller is the beneficial owner of a 100% interest in and to the mining claims that comprise the Property and has good right, full power and authority to sell and deliver to the Purchaser its beneficial ownership in and to the mining claims comprising the Property, free and clear of all Encumbrances other than Permitted Encumbrances and the Net Smelter Royalty.

- (5) Registered Ownership of Property. The mining claims comprising the Property are registered with the Dawson Mining Recorder and the Mayo Mining Recorder, as applicable, in the name of Archer Cathro and Archer Cathro holds a one hundred percent (100%) legal interest in the mining claims comprising the Property as a bare trustee for the Seller. The Seller will deliver to the Purchaser at Closing, a transfer of quartz mining claim(s) or interest therein form in registerable form and acceptable to the Purchaser, acting reasonably.
- (6) Surface and Access Rights. The surface and access rights relating to the Property have not been dealt with or encumbered in any fashion by the Seller and the Seller has the right, and has unimpeded access, to the surface area of the Property.
- (7) Access to Information. The Seller has provided the Purchaser with access to all information in respect of the claims comprising the Property, including any scientific and technical data, assays, drill logs, samples, geophysical, geochemical and engineering data.
- (8) No Violation. The execution, delivery and performance of this Agreement by the Seller, and the completion of the transactions contemplated hereby, will not constitute or result in a violation, breach or default under:
 - (a) any term or provision of any of the Constatng Documents of the Seller;
 - (b) any Applicable Law; or
 - (c) the terms of any indenture, agreement (written or oral), instrument or understanding or other obligation or restriction to which the Seller is a party or by which it is bound.
- (9) Other Agreements. The Seller is not currently in any discussions or negotiations with any other person with respect to its interest in and to the Property or pertaining to the Transaction and the Seller has not entered into any other agreement with respect to its interest in and to the Property or pertaining to the Transaction that is currently valid and outstanding. There is no other contract, option or any other right of another binding upon or at which at time in the future may become binding on the Seller to sell, transfer, assign, pledge, charge, mortgage or in any other way dispose of or encumber the Property other than pursuant to the provisions of this Agreement.
- (10) Outstanding Claims or Challenges. There (i) is no claim or challenge against or to the ownership of or title to the Property, and (ii) are no outstanding obligations or any agreements or options to acquire or purchase the Property or any portion thereof.
- (11) Royalty Interests. There does not exist any royalty or other interest whatsoever, in the minerals contained in or any production from any part of the Property.
- (12) Bankruptcy. The Seller is not an insolvent Person under the *Bankruptcy and Insolvency Act* (Canada) and has not made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof, and no petition for a receiving order has been presented in respect of it. The Seller has not initiated

Proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution. No receiver or interim receiver has been appointed in respect of it or any of its undertakings, property or assets (including the Property) and no execution or distress has been levied on any of its undertakings, property or assets (including the Property), nor have any Proceedings been commenced in connection with any of the foregoing.

- (13) Material Information. The Seller has advised the Purchaser of all of the material information relating to, and has provided all material documentation that is in the possession of the Seller in respect of, the Property.
- (14) Escrow. The Seller acknowledges and agrees that any S47 Shares issued to the Seller pursuant to the Transaction may be required to be held in escrow and will be released from escrow in accordance with applicable escrow policies.
- (15) Proceedings. There are no actions, suits, Proceedings, inquiries or investigations existing, pending or, to the knowledge of the Seller after due inquiry, threatened against or which adversely affect the Seller or to which any of the Seller's assets is subject, at law or equity, or before or by any Governmental Authority.
- (16) Change of Laws. The Seller is not aware of any pending or contemplated change to any Applicable Law or regulation or governmental position that would have a Material Adverse Effect in respect of the Property.
- (17) Payments. All taxes, assessments, rentals, levies or other payments related to the Property to be made to any Governmental Authority have been made.
- (18) Property Assessment Work. All assessment work has been performed, filed and recorded to maintain the Property in good standing until the applicable claim expiry dates as set out in Schedule "A" and conditions on and relating to the Property respecting all past and current operations thereon carried on by or on behalf of the Seller are in compliance with all Applicable Law, including all laws, orders, rules and regulations of whatever authority, as they may apply to and affect environmental matters, waste disposal and storage, and pollution control standards.
- (19) Outstanding Obligations and Liabilities. The Seller is not aware of any outstanding obligations or liabilities, contingent or otherwise, under any applicable environmental laws, mining or other law, including reclamation or rehabilitation work, associated with the Property or arising out of past exploration development and/or mining activities carried out thereon other than ongoing obligations for claim maintenance fees.
- (20) Environmental Matters. During the period that the Seller has been the beneficial owner of the Property and, to the best of the Seller's knowledge and belief after having made reasonable inquiries, at all times:
 - (a) the Property does not contain, and has not contained, any hazardous or toxic material, pollution or other adverse environmental conditions that may give rise to any environmental liability under any applicable environmental

laws, and the Seller has not received, nor is it aware of any pending or threatened, notice of non-compliance with any environmental law;

- (b) all activities on, in or under the Property have been carried out in accordance with all applicable environmental laws, and there are no environmental conditions existing on, in or under the Property with respect to which any remedial action is required or any liability has or may be imposed under applicable environmental laws; and
- (c) it is not aware of and has not received from any Government Authority, any notice of or communication relating to any actual or alleged environmental claims and there are no outstanding work orders or actions required to be taken relating to environmental matters respecting the Property or any previous operations carried out on the Property.

(21) Mining Claims Comprising the Property. The mining claims comprising the Property are accurately described in Schedule "A" to this Agreement.

5.2 Representations and Warranties of the Purchaser. The Purchaser represents and warrants to the Seller as follows and acknowledges that the Seller is relying on these representations and warranties in connection with its sale of the Property and that the Seller would not sell the Property without these representations and warranties:

- (1) Organization and Corporate Power. The Purchaser is a corporation duly incorporated and organized, and is validly subsisting, under the laws of the Province of British Columbia and is up-to-date in the filing of all corporate and similar returns under the laws of that jurisdiction and is in good standing under the laws of such jurisdiction. The Purchaser has all necessary corporate power and authority to acquire the Property, to enter into this Agreement and the contracts, agreements and instruments required by this Agreement to be delivered by it, and to perform its obligations hereunder and thereunder.
- (2) Authorization. All necessary corporate action has been taken by the Purchaser to authorize its execution and delivery of this Agreement and the contracts, agreements and instruments required by this Agreement to be delivered by it and the performance of its obligations hereunder and thereunder.
- (3) Enforceability. This Agreement has been duly executed and delivered by the Purchaser and (assuming due execution and delivery by the Seller) is a legal, valid and binding obligation of the Purchaser enforceable against it in accordance with its terms, except as that enforcement may be limited by bankruptcy, insolvency and other 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. Each of the contracts, agreements and instruments required by this Agreement to be delivered by the Purchaser will at the Closing have been duly executed and delivered by it and (assuming due execution and delivery by the other parties thereto) will be enforceable against it in accordance with its terms, except as that enforcement may be limited by bankruptcy, insolvency and other 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.

- (4) Bankruptcy. The Purchaser is not an insolvent Person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) and has not made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof, and no petition for a receiving order has been presented in respect of it. The Purchaser has not initiated Proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution. No receiver or interim receiver has been appointed in respect of it or any of its undertakings, property or assets and no execution or distress has been levied on any of its undertakings, property or assets, nor have any Proceedings been commenced in connection with any of the foregoing.
- (5) Authorized and Issued Capital of the Purchaser. The authorized share structure of the Purchaser consists of an unlimited number of common shares. All of the issued and outstanding S47 Shares are outstanding as fully paid and non-assessable. As of the date of this Agreement, 22,678,200 S47 Shares are issued and outstanding.
- (6) Purchased Shares. The Purchaser has full corporate power and capacity to issue the Purchased Shares on the Closing Date and when issued, the Purchased Shares will be duly authorized and validly issued as fully paid and non-assessable shares. All necessary corporate action has been taken to authorize the issue of the Purchased Shares, and registration of the Seller as the registered owner of the Purchased Shares on the books of the Purchaser, and, upon Closing, the Purchased Shares will be validly issued as fully paid and non-assessable shares in the capital of the Purchaser.
- (7) Voting Control. The Purchaser is not party to any agreement which in any manner affects the voting control of any S47 Shares.
- (8) Reporting Status and Securities Laws Matters. The Purchaser is not a “reporting issuer” under applicable securities laws.
- (9) Proceedings. There are no actions, suits, Proceedings, inquiries or investigations existing, pending or, to the knowledge of the Purchaser after due inquiry, threatened against or which adversely affect the Purchaser or to which any of the Purchaser’s assets is subject, at law or equity, or before or by any Governmental Authority.
- (10) Regulatory Approval. None of the offering, sale, and issuance of the Purchased Shares by the Purchaser to the Seller, or the execution, delivery and performance by the Purchaser of this Agreement require the consent, approval, or authorization, order or agreement of, or registration, qualification or filing with, any Governmental Authority or other Person, except as may be required under applicable securities laws, which the Purchaser will obtain prior to the Effective Time.
- (11) No Violation. The execution, delivery and performance of this Agreement by the Purchaser, and the completion of the transactions contemplated hereby, will not constitute or result in a violation, breach or default under:
 - (a) any term or provision of any of the Constatng Documents of the Purchaser;

- (b) any Applicable Law; or
- (c) the terms of any indenture, agreement (written or oral), instrument or understanding or other obligation or restriction to which the Purchaser is a party or by which it is bound.

5.3 First Nations. The Purchaser hereby acknowledges, agrees and confirms that any representations made by the Seller in respect of legal or beneficial title to the mining claims comprising the Property specifically excludes any future actions taken by or on behalf of any aboriginal or first nations persons pursuant to the assertion of any land claims or treaty rights or settlements related to lands comprising all or any part of any of the Property.

5.4 Survival of Representations, Warranties and Covenants. The representations and warranties contained in this Agreement and in any Contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement will survive Closing and continue for a period of two years.

- (1) The covenants and other obligations contained in this Agreement and in any Contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement, to the extent that they have not been fully performed at or prior to Closing, will survive Closing and will continue for the benefit of the other Party for the applicable limitation period imposed by Applicable Law notwithstanding Closing.
- (2) Notwithstanding Section 5.4(1), a claim for any breach of any of the representations and warranties contained in this Agreement or in any Contract, agreement, instrument, certificate or other document executed or delivered pursuant hereto involving fraud, fraudulent misrepresentation or intentional misrepresentation may be made at any time following the Closing Date, subject only to applicable limitation periods imposed by Applicable Law.

5.5 Termination of Liability. On the expiry of the relevant time limits referred to in Section 5.3, no Party will have any liability or obligations to the other Party in respect of any inaccuracy in or breach of any representation or warranty contained in this Agreement or any Contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement, except for (and only to the extent of) any Proceeding which has been made by the other Party and communicated to the Party making that representation and warranty prior to the expiry of those time limits, and in that event, only on the terms and conditions of and to the extent provided for in Article 8.

ARTICLE 6 COVENANTS

6.1 Exclusive Dealings. During the Interim Period, the Seller will not enter into or continue negotiations or discussions with any third party in respect of a sale of the Property or any part of the Property. In addition, the Seller agrees that, until the Closing Date or termination of this Agreement, access will not be given to any other information relating to the Property for the purpose of enabling any third party to make a determination as to whether to enter into a transaction with the Seller for the Property.

6.2 Transfer of Documentation.

- (1) On the Closing Date, the Seller will deliver, and will cause to be delivered, to the Purchaser, the Property Data. The Purchaser will preserve all those documents delivered to it for such period as is required by Applicable Law. The Purchaser will permit the Seller and its authorized Representatives reasonable access to those documents while they are in the Purchaser's possession or control to the extent that access is required by the Seller to perform its obligations under this Agreement or under Applicable Law.
- (2) Notwithstanding Section 6.2(1), the Seller will be entitled to retain copies of any documents or other data delivered to the Purchaser pursuant to Section 6.2(1) provided that those documents or data are reasonably required and only used or relied on by the Seller to perform its obligations under this Agreement or under Applicable Law.

6.3 Investigation.

- (1) During the Interim Period, the Seller will, and will cause its Representatives to, permit the Purchaser and its authorized Representatives to make any reasonable investigations of the Property and any other matters related to the Transaction that the Purchaser deems advisable so as to satisfy itself that the Transaction is in its best interests, including a site visit. During the Interim Period, the Seller will provide the Purchaser and its Representatives with reasonable access to, and will make available to them for inspection and review, all books of account, leases, agreements, personnel and any other documents of or related to the Property and the Transaction, including all legal, financial and technical data. The Seller will make its own Representatives and advisors available for consultation at reasonable times and on reasonable notice. This information will be treated as confidential information.
- (2) During the Interim Period, the Seller and its Representatives will be entitled to make any reasonable investigations of the Purchaser and any other matters relating to the Transaction that the Seller deems advisable so as to satisfy itself that the Transaction is in its best interests. The Purchaser will provide the Seller and its Representatives with reasonable access to, and will make available for inspection and review, all books of account, leases, agreements, personnel and any other documents of or relating to the Purchaser and the Transaction, including all relevant legal, financial and technical data. The Purchaser will make its own Representatives available for consultation at reasonable times and on reasonable notice. This information will be treated as confidential information.

**ARTICLE 7
MISCELLANEOUS**

7.1 Lapsing or Acquisition of Mining Claims. If the Purchaser:

- (a) determines to let lapse and not conduct further exploration or development work on 50% or more of the claims comprising the Property, then the Purchaser will at the sole election of the Seller, return 100% of the claims comprising such Property, or those Property, to the Seller at no cost, with

a minimum of six (6) months' assessment credit. The Purchaser will not retain any interest in any Property returned to the Seller in accordance with this Section 7.1; or

- (b) acquires any direct, indirect, legal or beneficial interest in an After Acquired Property, the Purchaser shall immediately provide written notice to the Seller of such acquisition and all rights and interests acquired by the Purchaser shall be included in and thereafter form part of the Property for all purposes of this Agreement, including but not limited to the Net Smelter Royalty and Milestone Payments.

7.2 Non-assignment of Claims. If the Seller elects not to have claims returned to it pursuant to Section 7.1(a) hereof, the said claims shall be allowed to lapse in accordance with the provisions of the Yukon Quartz Mining Act.

7.3 Publicity. Neither Party will make announcements regarding this Agreement, the Transaction or any other Transactions contemplated herein that have not been previously reviewed and commented on by the other Party, except that the a Party may issue news releases or make filings with regulatory authorities if its counsel advises that such news release or filing is necessary in order to comply with Applicable Law or the rules and policies of any securities regulatory authority or stock exchange having jurisdiction over it, in which case it will first make a reasonable commercial effort to obtain the approval of the other Party, acting reasonably, which consent will not be unreasonably withheld or delayed.

ARTICLE 8 INDEMNIFICATION

8.1 Indemnification. The Parties hereby agree to provide for the following indemnities:

- (1) The Seller will indemnify and save harmless the Purchaser from the amount of any and all Losses as a result of any breach by the Seller of a representation or covenant made by the Seller under this Agreement.
- (2) The Purchaser will indemnify and save harmless the Purchaser from the amount of any and all Losses as a result of any breach by the Purchaser of a representation or covenant made by the Purchaser under this Agreement.

8.2 Definition of "Losses". For the purposes of Article 8 of this Agreement, "**Losses**" means, with respect to any matter, all losses, damages, claims, obligations, penalties, judgements, settlement payments, awards, fines, liabilities, deficiencies, costs and expenses (including, without limitation, all legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement) arising as a consequence of such matter, but excluding, in each case, all consequential, punitive, special or similar losses or damages.

8.3 Waiver. The indemnitor waives any right it may have to require an indemnitee to proceed against or enforce any other right, power, remedy or security or to claim payment from any other Person before claiming under the indemnity provided for in this Article 8. It is not necessary for an indemnitee to incur expense or make payment before enforcing that indemnity.

ARTICLE 9 TERMINATION

9.1 **Termination.** This Agreement may be terminated at any time prior to the Closing:

- (1) by mutual written consent of the Seller and the Purchaser;
- (2) by the Seller, if the Purchaser breaches or fails to perform in any respect any of its representations, warranties or covenants contained in this Agreement and such breach or failure to perform (A) would give rise to the failure of a condition set forth in Section 4.2 and (B) cannot be or has not been cured within 30 days following delivery of written notice of such breach or failure to perform;
- (3) by the Purchaser, if the Seller breaches or fails to perform in any respect any of its representations, warranties or covenants contained in this Agreement and such breach or failure to perform (A) would give rise to the failure of a condition set forth in Section 4.1 and (B) cannot be or has not been cured within 30 days following delivery of written notice of such breach or failure to perform; or
- (4) by either the Seller or the Purchaser if the Closing will not have occurred on or prior to the Outside Date.

The Party seeking to terminate this Agreement pursuant to this Section 9.1 (other than paragraph (1)) will give prompt notice of such termination to the other Party.

9.2 **Effect of Termination.** In the event of termination of this Agreement, this Agreement will immediately become void and have no effect, without any liability or obligation on the part of the Seller or the Purchaser, provided, that no such termination will relieve any Party from any liability or damages resulting from a pre-termination breach of this Agreement or fraud, in which case the non-breaching party will be entitled to all rights and remedies available at law or in equity.

ARTICLE 10 GENERAL

10.1 **Expenses.** Each Party will pay all expenses (including Taxes imposed on those expenses) it incurs in the authorization, negotiation, preparation, execution and performance of this Agreement and the Transaction, including all fees and expenses of its Representatives.

10.2 **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior correspondence, agreements, negotiations, discussions and understandings, written or oral. Except as specifically set out in this Agreement, there are no representations, warranties, conditions or other agreements or acknowledgements, whether direct or collateral, express or implied, written or oral, statutory or otherwise, that form part of or affect this Agreement or which induced any Party to enter into this Agreement.

10.3 **Time of Essence.** Time is of the essence of this Agreement.

10.4 **Amendment.** This Agreement may be supplemented, amended, restated or replaced only by written agreement signed by each Party.

10.5 Waiver of Rights. Any waiver of, or consent to depart from, the requirements of any provision of this Agreement is effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement operates as a waiver of that right. No single or partial exercise of any such right precludes any other or further exercise of that right or the exercise of any other right.

10.6 Governing Law. This Agreement and any dispute arising from or in relation to this Agreement are governed by, and interpreted and enforced in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable in that province.

10.7 Submission to Jurisdiction. Each of the Parties irrevocably and unconditionally submits and attorns to the exclusive jurisdiction of the courts of the Province of British Columbia to determine all issues, whether at law or in equity arising from this Agreement. To the extent permitted by applicable Law, each of the Parties:

- (1) irrevocably waives any objection, including any Claim of inconvenient forum, that it may now or in the future have to the venue of any legal proceeding arising out of or relating to this Agreement in the courts of that Province, or that the subject matter of this Agreement may not be enforced in those courts;
- (2) irrevocably agrees not to seek, and waives any right to, judicial review by any court which may be called upon to enforce the judgment of the courts referred to in this Section 10.7, of the substantive merits of any suit, action or proceeding; and
- (3) to the extent a Party has or may acquire any immunity from the jurisdiction of any court or from any legal process, whether through service or notice, attachment before judgment, attachment in aid of execution, execution or otherwise, with respect to itself or its property, that Party irrevocably waives that immunity in respect of its obligations under this Agreement.

10.8 Notices.

- (1) Any notice or other communication required or permitted to be given hereunder will be in writing and will be delivered in person, transmitted by fax or e-mail or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as follows:

in the case of a notice to the Seller:

Silver Range Resources Ltd.

[REDACTED]

À

Attention: Mike Power, President, CEO

Email: [REDACTED]

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

Tupper Jonnson & Yeadon
[REDACTED]
A

Attention: Glenn Yeadon
Email: [REDACTED]

and in the case of a notice to the Purchaser:

Silver47 Exploration Corp.
[REDACTED]
A

Attention: Gary Thompson
Email: [REDACTED]

With a copy (which will not constitute notice) to:

DLA Piper (Canada) LLP
[REDACTED]

Attention: Denis G. Silva
Email: [REDACTED]

- (2) Any notice sent in accordance with this Section 10.8 is deemed to have been received:
- (a) if delivered prior to or during normal business hours on a Business Day in the place where the notice is received, on the date of delivery;
 - (b) if sent by mail, on the fifth Business Day in the place where the notice is received after mailing, or, in the case of disruption of postal service, on the fifth Business Day after cessation of that disruption;
 - (c) if sent by facsimile during normal business hours on a Business Day in the place where the transmission is received, on the same day that it was received by transmission, on production of a transmission report from the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the relevant facsimile number of the recipient; or
 - (d) if sent in any other manner, on the date of actual receipt;

except that any notice delivered in person or sent by transmission not on a Business Day or after normal business hours on a Business Day, in each case in the place where the notice is received, is deemed to have been received on the next succeeding Business Day in the place where the notice is received.

- (3) Any Party may change its address for notice by giving notice to the other Parties.

10.9 **Assignment; Successors.** Prior to Closing, neither this Agreement nor any of the rights, interests or obligations under this Agreement may be assigned or delegated, in whole or in part, by operation of law or otherwise, by any Party without the prior written consent of the other Party. Any such assignment without such prior written consent will be null and void. This Agreement will be binding upon, inure to the benefit of, and be enforceable by, the Parties and their respective successors and assigns. Notwithstanding any of the foregoing, the Purchaser may freely assign this Agreement at any time to an Affiliate of the Purchaser, on written notice to the Seller.

10.10 **Further Assurances.** Each Party will promptly do, execute, deliver or cause to be done, executed or delivered all further acts, documents and matters in connection with this Agreement that any other Party may reasonably require, for the purposes of giving effect to this Agreement.

10.11 **Severability.** If, in any jurisdiction, any provision of this Agreement or its application to any Party or circumstance is restricted, prohibited or unenforceable, that provision will, as to that jurisdiction, be ineffective only to the extent of that restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement, without affecting the validity or enforceability of that provision in any other jurisdiction and, if applicable, without affecting its application to the other Parties or circumstances. The Parties will engage in good faith negotiations to replace any provision which is so restricted, prohibited or unenforceable with an unrestricted and enforceable provision, the economic effect of which comes as close as possible to that of the restricted, prohibited or unenforceable provision which it replaces.

10.12 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together constitute one agreement. Delivery of an executed counterpart of this Agreement by facsimile or transmitted electronically in legible form, including without limitation in a tagged image format file (TIFF) or portable document format (PDF), will be equally effective as delivery of a manually executed counterpart of this Agreement.

[Signature page on following page]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement on the date first above written.

SILVER RANGE RESOURCES LTD.

By: "Ian J. Talbot"
Authorized Signatory

SILVER47 EXPLORATION CORP.

By: "Gary R. Thompson"
Authorized Signatory

SCHEDULE "A"

LIST OF CLAIMS

Claim Name	Claim Number	Grant Number	Mining District	Expiry Date	Registered Owner⁽¹⁾	Total Number of Claims
H	1 - 68	YC75530 - YC75597	Dawson	Mar 26, 2031	Archer Cathro	68
H	69 - 88	YC75598 - YC75617	Dawson	Mar 26, 2035	Archer Cathro	20
H	89 - 159	YC75618 - YC75688	Dawson	Mar 26, 2031	Archer Cathro	71
HOT	1 - 11	YC62420 - YC62430	Dawson	Mar 26, 2035	Archer Cathro	11
HOT	12	YC62957	Dawson	Mar 26, 2035	Archer Cathro	1
HOT	13 - 22	YC63033 - YC63042	Dawson	Mar 26, 2034	Archer Cathro	10
M	1 - 12	YC69793 - YC69804	Mayo	Mar 26, 2034	Archer Cathro	12
M	19 - 126	YC69811 - YC69918	Mayo	Mar 26, 2034	Archer Cathro	108
Michelle	1 - 2	YC50208 - YC50209	Mayo	Mar 26, 2037	Archer Cathro	2
Michelle	3 - 20	YC50210 - YC50227	Mayo	Mar 26, 2036	Archer Cathro	18
Michelle	21 - 60	YC56625 - YC56664	Mayo	Mar 26, 2036	Archer Cathro	40
Michelle	61 - 90	YC57212 - YC57241	Mayo	Mar 26, 2036	Archer Cathro	30
Michelle	91 - 96	YC68288 - YC68293	Mayo	Mar 26, 2034	Archer Cathro	6
NS	1 - 16	YC76298 - YC76462	Dawson	Mar 05, 2033	Archer Cathro	165
Ot	1 - 30	YC76067 - YC76096	Dawson	Mar 26, 2031	Archer Cathro	30
US	1 - 42	YC69663 - YC69704	Mayo	Mar 26, 2034	Archer Cathro	42
ZN	1 - 148	YC70337 - YC70484	Mayo	Feb 26, 2036	Archer Cathro	148
Total:						782

(1) Title to all of the quartz mining claims listed above is registered in the name of Archer Cathro and held in trust for the Seller.

SCHEDULE "B"
ROYALTY AGREEMENT

(see attached)

**ROYALTY AGREEMENT
(MICHELLE PROPERTY)**

THIS AGREEMENT is dated as of _____, 2021

BETWEEN:

SILVER47 EXPLORATION CORP., a company amalgamated under the laws of British Columbia

(“**S47**” or the “**Owner**”)

and

SILVER RANGE RESOURCES LTD., a company incorporated under the laws of British Columbia

(“**Silver Range**”)

(collectively, the “**Parties**” and each of them, a “**Party**”)

WHEREAS:

- A. The Parties entered into an Amended and Restated Asset Purchase Agreement dated November 2, 2021 (the “**Purchase Agreement**”); and
- B. The Purchase Agreement provides that S47 shall grant to Silver Range the Royalty (defined below) on the terms and conditions set out herein.

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

1. DEFINITIONS

- 1.1 Definitions. In this Agreement, the following capitalized terms shall have the respective meanings ascribed thereto:

“**Affiliate**” has the meaning set out in subsection 1(2) of the *Securities Act* (British Columbia);

“**Area of Interest**” means the area that is located within two (2) kilometers of the outer perimeter of any of the mining claims comprising the Property;

“**Arm’s Length**” has the meaning ascribed to such term in the *Income Tax Act* (Canada) as amended from time to time;

“**Business Day**” means any day which is not a Saturday, Sunday or banking holiday in Vancouver, British Columbia;

“**Calculation Price**” means in respect of the sale or disposition of Mineral Products credited to the account of Silver Range, the Spot Price on the Business Day that Silver Range’s account is

credited with such sale or disposition or with the Canadian dollar cash equivalent monetary value thereof;

“Commercial Production” means the commercial exploitation of Mineral Products from the Property, or any part, as a mine, but does not include milling for the purpose of testing or milling by a pilot plant. Commercial Production shall be deemed to have commenced:

- (a) if a plant, mill or other processing facility is located on the Property, on the first day following the first period of sixty (60) consecutive days during which Mineral Products have been produced from the Property at an average rate not less than 60% of the initial design rated capacity of the Facilities, or
- (b) if no plant, mill or other processing facility is located on the Property, on the first day of the month following the first period of sixty (60) consecutive days during which Mineral Products have been shipped from the Property on a reasonably regular basis for the purpose of earning revenue;

“Facilities” means all mines, mills, plants and facilities including, without limitation, all pits, shafts, haulageways, 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;

“Losses” means any and all claims, demands, debts, suits, actions, obligations, proceedings, losses, damages, liabilities, deficiencies, costs and expenses (including without limitation, all reasonable and documented legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement);

“Mineral Products” means all Precious Metals and Non-precious Metals;

“Mining Rights” means exploration licences, mineral claims, mining leases, mining licences, mineral concessions, crown granted mineral claims, unpatented mining claims, patented mining claims and other tenure or other rights to Minerals or to access and work upon lands, such as ownership rights, leasing agreements, lands temporal occupation agreements, surface rights or otherwise, for the purpose of exploring, exploiting or benefiting from Minerals under the terms of the laws of Yukon, whether contractual, statutory or otherwise, or any interest therein. “Mining Rights” includes any amendments, relocations, adjustments, resurvey, additional locations, derived rights or conversions of, or any renewal, amendment or other modification or extensions of any of the foregoing;

“Net Smelter Returns” means the actual amount of gross proceeds received by or credited to S47, from time to time, by the sale of Mineral Products from a Processor for the production, sale or other disposition of all Mineral Products, or in the event that the account of S47 at a Processor is credited with Mineral Products processed by the Processor, the gross value of Mineral Products so credited to S47 calculated on the basis of the aggregate quantity of such Mineral Products so credited during the relevant time period multiplied by the Calculation Price, or if there is an insurable loss of or damage to Products, whether or not occurring on the Property and whether the Products are in possession of the Owner or its Affiliates or otherwise, the revenues equal to the sum of the insurance proceeds actually paid to the Owner in respect of such loss or damage, in each case after deducting Permissible Deductions;

“Non-precious Metals” means all base metals and metals, uncommon nonferrous metals and minerals, rare earth elements and minerals, all non-metallic minerals including diamonds, all industrial minerals and all ores, concentrates, beneficiated products, and solutions containing any of the afore mentioned metals or minerals, and all forms in which such metals or minerals may occur, be found, extracted or produced on, in or under the Property;

“Parties” means, collectively, S47 and Silver Range and **“Party”** means either one of them;

“Permits” means all licences, permits, registrations and mining titles related to the Property;

“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 incurred with respect to Mineral Products from the Property in each quarterly period:

- (c) charges for treatment in smelting, refining, solution extraction, electrowinning and other beneficiation processes of Mineral Products (including handling, provisional settlement fees, weighing, sampling, assaying, umpire and representation costs, penalties, and other processor deductions), but excluding costs of mining and milling or concentrating;
- (d) actual costs of transportation (including loading, freight, insurance, security, surveyor fee, transaction taxes, handling, port fees, demurrage, delay, and forwarding expenses incurred by reason of or in the course of transportation) of Mineral Products from the Property to the place of treatment and then to the place of sale;
- (e) costs and charges of any nature for or in connection with insurance, storage, or representation at a smelter or refinery for Mineral Products and any government royalties, third party royalties, production taxes, severance taxes and sales and other taxes levied on Mineral Products;
- (f) actual selling and brokerage costs on all Mineral Products for which the Royalty is based on proceeds actually received by S47, or an allowance for reasonable sales and brokerage costs on Mineral Products for which the Royalty is based on proceeds deemed to have been received by S47; and
- (g) sales, use, severance, excise and net proceeds of mine taxes, and any taxes measured by the value of Minerals produced, but excluding all taxes based upon the net or gross income of S47 or other operator of the Property, the value of the Property, or the privilege of doing business, any taxes or governmental charges that are refundable in and to S47 and/or its Affiliates, and any other taxes assessed on a similar basis,

provided that whether Mineral Products are processed on or off the Property in a facility wholly or partially owned by S47 or an Affiliate thereof, Permissible Deductions shall exclude any costs that are in excess of those that would be incurred on an Arm’s Length basis at market terms, or which would not be Permissible Deductions if those Mineral Products were processed by an independent third person.

“Person” means any individual, firm, partnership, company, corporation, unincorporated association, joint venture, trust, the Crown or any other agency or instrumentality thereof or any other judicial entity or person, government or governmental agency, authority or entity howsoever designated or constituted;

“Prime” means the reference rate of interest expressed as a rate per annum that the Royal Bank of Canada establishes as its prime rate of interest in order to determine the interest rates that it will charge for demand loans in Canadian dollars to its Canadian customers;

“Precious Metals” means gold, silver, platinum, palladium, osmium, rhodium, ruthenium and iridium, all minerals containing such metals and all ores, concentrates, beneficiated products and solutions containing any of the afore mentioned metals and all forms in which such metals may occur, be found, extracted or produced on, in or under the Property;

“Processor” means any mill, smelter, refiner or other processor or purchaser of any ores, concentrates, beneficiated products and solutions containing any Non-precious Metals or Precious Metals which processes any such Non-precious Metals or Precious Metals to the final product stage before sale or other disposition by or for the account of S47;

“Project” means the Mining Rights comprising the Property, including any such rights acquired within the Area of Interest, and any other Mining Rights or other rights that currently form part of the Property, and any rights renewing, deriving or replacing such Mining Rights or other rights at any time, or any variation of any of those Mining Rights (whether granting or conferring the same, similar or any greater rights and whether extending over the same or a greater or lesser domain), including all future other Mining Rights within the Area of Interest that have the effect of increasing the size of the Property, which S47 owns at any time;

“Property” means the Mining Rights comprising the Project as set forth in Schedule “A”;

“Royalty” means a royalty equal to one percent (1.0%) of Net Smelter Returns, which Royalty will apply to any rights renewing, deriving or replacing the Property at any time, as well as any other rights that in the future form part of the Property including all future contiguous Mining Rights thereto within the Area of Interest;

“Spot Price” on any given date means the price per unit in U.S. dollars for the relevant Mineral Products as quoted on the London Metal Exchange. If for any reason the London Metal Exchange is no longer providing such quotes, the “Spot Price” of such Mineral Products will be determined by reference to the price of such Mineral Products on another commercial exchange mutually acceptable to the parties hereto. In the event there is no such commercial exchange, the “Spot Price” of such Mineral Products will be determined by the actual gross revenues received by or credited to S47, from time to time, by the sale of such Mineral Products. The exchange rate used to convert a “Spot Price” for Mineral Products from U.S. dollars to any other currency on a particular date will be determined on the basis of the Bank of Canada noon exchange rate for U.S. dollars on such day (or other equivalent or generally accepted quotation) on the date any such delivery is made; and

“Transfer” means: (i) any transfer, sale, assignment, exchange, gift, donation or other disposition thereof whereby possession, legal title, direct ownership or the economic risk or return associated therewith passes directly or indirectly from one Person to another or to the same Person in a different legal capacity, whether or not for value, whether or not voluntary and however occurring; or (ii) any agreement, undertaking or commitment to effect any of the foregoing, but for greater certainty does not include the pledge by Silver Range of the Royalty to a creditor (or a transfer to a fiduciary trust) as security pursuant to a bona fide loan or similar agreement entered into by Silver Range or any of its Affiliates.

2. INTERPRETATION

- 2.1 Currency. All references in this Agreement to currency, unless otherwise specified, are in Canadian dollars.
- 2.2 Gender and Plural. In this Agreement, all references to the masculine gender include the feminine and neuter genders and vice versa and all references to the singular include the plural and vice versa. The word "shall" has the same meaning in this Agreement as the word "will".
- 2.3 Period of Time. When calculating the period of time within which or following which any act is to be done or step is to be taken pursuant to this Agreement, the date which is the reference date in calculating such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next Business Day.
- 2.4 Section Headings. The section and other headings contained in this Agreement or in the Schedules are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

3. GRANT OF ROYALTY

- 3.1 Grant. S47 hereby grants the Royalty to and in favour of Silver Range, with effect as of the day hereof. From and after the date hereof, S47 shall pay the Royalty to Silver Range in accordance with the terms of this Agreement. S47 and Silver Range hereby acknowledge and agree that the Royalty shall run with and bind the Property and the title thereto and shall be recorded against title to the Property and shall be binding upon the successors and assigns of S47 and all successors of S47 in title to the Property. The Royalty shall not be terminated by reason of the suspension of operations or closure of any mine or mining operations on the Property. All Royalty payments under this Agreement, shall be delivered to Silver Range at its principal place of business as set out in section 15.8 or in such other manner or at such other place as specified in writing by Silver Range.

4. TIME AND MANNER OF ROYALTY PAYMENTS

- 4.1 Time and Manner. Commencing upon Commercial Production, during each year of the term hereof S47 shall pay the Royalty to Silver Range, quarterly, on or before the forty-fifth (45th) Business Day after the last day of each of March, June, September and December. The Royalty payment for each quarter shall be paid to Silver Range by S47 by certified cheque, bank draft or wire transfer (in the sole and absolute discretion of Silver Range) in Canadian dollars. At the time of making each such Royalty payment, S47 shall simultaneously deliver to Silver Range a written statement as to: (i) the quantity of Mineral Products to which such Royalty payment is applicable; (ii) the quantities of Mineral Products sold or otherwise disposed of by S47 or the amount of Mineral Products produced and credited to the account of S47 for such quarter, as the case may be; (iii) the calculation of the Net Smelter Returns for the immediately preceding fiscal quarter of Silver Range, as applicable; (iv) the Spot Price and the Calculation Price for the applicable Mineral Products; (v) in the event of any commingling as contemplated in Section 8, a detailed summary of the determination by S47 of the quantity of Mineral Products commingled in accordance with Section 8 and subject to the Royalty; (vi) the calculation of any interest accrued on such Royalty payment pursuant to Section 4.5, if any; and (vii) in the case of any Mineral Products in the form of ores mined and stockpiled but not sold or processed by S47 during the previous quarter, the tonnage and location of such Mineral Products.

4.2 Detailed Statements.

- (a) Within ninety (90) days after the end of each fiscal year of S47 following the commencement of Commercial Production, S47 shall prepare and forward or cause to be prepared and forwarded to Silver Range an unaudited statement of production from the Property and the Royalty paid to Silver Range during the applicable fiscal year of S47 together with the balance, if any, of the Royalty due and payable to Silver Range in respect of the said fiscal year of S47. If amounts in respect of the Royalty have been paid to Silver Range by S47 in excess of those due and owing in the applicable fiscal year of S47 under this Agreement, the equivalent amount shall at S47's option be deducted from the subsequent Royalty payment. If amounts in respect of the Royalty remain due and owing to Silver Range by S47 in respect of the Royalty in the applicable fiscal year of S47, S47 shall forthwith pay the same to Silver Range within five Business Days of the delivery of the unaudited statement of production to Silver Range by S47.
- (b) S47 shall also prepare and forward or cause to be prepared and forwarded to Silver Range within fifteen (15) days of the date to which the same is made up, a calendar monthly report of the quantity of all Mineral Products mined and processed or otherwise recovered from the Property during the applicable month.
- (c) At least sixty (60) days prior to commencing any mining of the Property and concurrently with the release of the annual report by S47 (or within sixty (60) days of the end of each calendar year in the circumstances that S47 is not obligated to issue an annual report) following the commencement of Commercial Production, S47 shall deliver to Silver Range a reasonably detailed and reasoned estimate specific to the Property of the proven and probable reserves of Non-precious Metals and Precious Metals on, in or under the Property.

4.3 Objections. Silver Range may object in writing to any Royalty statement and payment including for greater certainty and without limitation pursuant to section 4.1 and 4.2 hereof within twelve (12) months after receipt of the relevant Royalty statement or payment specifying with particularity, the grounds for such objection and notifying S47 that it will be conducting an audit of such statements by an independent firm of certified public accountants. The reasonable expenses of the independent audit shall be paid by Silver Range, unless the result of such audit discloses a deficiency in respect of the Royalty payments paid to Silver Range hereunder in an amount greater than 5% of the amount of the Royalty properly payable in which event the costs of such audit shall be paid by S47. If the results of the said independent audit reveal that amounts in respect of the Royalty remain due and owing to Silver Range, S47 shall forthwith pay the same to Silver Range within five (5) Business Days after receipt of the results of the independent audit. All year end statements not so challenged and independently audited shall be deemed final and shall not thereafter be subject to audit or challenge by Silver Range.

4.4 Preliminary and Secondary Assay Results. Upon written request from Silver Range acting reasonably from time to time, S47 shall and shall irrevocably direct the Processor to provide to Silver Range, in an expeditious and timely fashion, written preliminary and secondary assay results as well as all assay results adjusted by reason of umpiring, of all Mineral Products mined or otherwise recovered from the Property and shipped to the Processor, identified by lot number.

4.5 Default in Payment. If any Royalty payment has not been paid to Silver Range in full as provided herein including for greater certainty and without limitation, pursuant to sections 4.1, 4.2 and 4.3 hereof, S47 shall pay to Silver Range interest on the delinquent payment at a rate of Prime plus

2% per annum, commencing on the date on which such delinquent payment was first due and continuing until Silver Range receives payment in full of such delinquent payment together with all accrued interest thereon. For the purposes of this subsection, Prime shall be determined as of the date on which such delinquent payment was properly due.

- 4.6 Deductions. All Royalty payments shall be made without deduction or set off for costs of production, milling, smelting, processing, transportation, taxes and withholdings or other expenses whatsoever, except as provided in this Agreement.

5. REPRESENTATIONS AND WARRANTIES AND INDEMNITY

- 5.1 Representations and Warranties of S47. S47 does hereby represent and warrant as follows, which representations and warranties shall, except as provided herein, survive during the term of this Agreement, and S47 acknowledges that Silver Range is relying on such representations and warranties in entering into this Agreement:

- (a) Incorporation and Organization. S47 is duly amalgamated under the laws of the Province of British Columbia and is duly organized and validly existing under such laws with the corporate power to own or lease its property, to carry on its business and to enter into this Agreement.
- (b) Qualification. S47 has the requisite corporate power and capacity to enter into this Agreement and to perform its obligations hereunder.
- (c) Due Authorization. All requisite corporate acts and proceedings have been done and taken by S47 to authorize the execution and delivery of this Agreement and the performance of S47's obligations hereunder.
- (d) Validity of Agreement. The execution and delivery of this Agreement and the performance of the obligations of S47 hereunder do not conflict with or cause a default under any indenture, mortgage, deed of trust, loan agreement or any other agreement or instrument to which S47 is a party or by which S47 or any of its property or assets, including the Property, are bound and do not conflict with nor result in a violation of the provisions of any of the articles or other constating documents of S47 or any resolution of the shareholders or directors of S47 or any laws of the Province of British Columbia or any order, rule or regulation of any court or governmental agency or body having jurisdiction over S47 or its property and assets.
- (e) Enforceability of Agreement. This Agreement constitutes a legal, valid and binding obligation of S47 enforceable against S47 in accordance with its terms.

- 5.2 Representations and Warranties of Silver Range. Silver Range does hereby represent and warrant as follows, which representations and warranties shall, except as provided herein, survive during the term of this Agreement, and Silver Range acknowledges that S47 is relying on such representations and warranties in entering into this Agreement:

- (a) Incorporation and Organization. Silver Range is duly incorporated under the laws of the Province of British Columbia and is duly organized and validly existing under such laws with the corporate power to own or lease its property, to carry on its business and to enter into this Agreement.

- (b) Qualification. Silver Range has the requisite corporate power and capacity to enter into this Agreement and to perform its obligations hereunder.
- (c) Due Authorization. All requisite corporate acts and proceedings have been done and taken by Silver Range to authorize the execution and delivery of this Agreement and the performance of Silver Range's obligations hereunder.
- (d) Validity of Agreement. The execution and delivery of this Agreement and the performance of the obligations of Silver Range hereunder do not conflict with or cause a default under any indenture, mortgage, deed of trust, loan agreement or any other agreement or instrument to which Silver Range is a party or by which Silver Range or any of its property or assets are bound and do not conflict with nor result in a violation of the provisions of any of the articles or other constating documents of Silver Range or any resolution of the shareholders or directors of Silver Range or any laws of the Province of British Columbia or any order, rule or regulation of any court or governmental agency or body having jurisdiction over Silver Range or its property and assets.
- (e) Enforceability of Agreement. This Agreement constitutes a legal, valid and binding obligation of Silver Range enforceable against Silver Range in accordance with its terms.

6. TERMINATION

- 6.1 This Agreement shall terminate as expressly provided in this Agreement, unless earlier terminated by mutual written agreement between S47 and Silver Range upon the terms and conditions as said parties may mutually agree.
- 6.2 Unless terminated earlier in accordance with Section 6.1 above, this Agreement shall terminate on the date upon which all the mining titles related to the Property including mining leases and mining concessions have been surrendered.

7. TRANSFER

- 7.1 Transfer by S47. If S47 contemplates a Transfer to an Arm's Length Person by any means whatsoever, of an interest in and to the Property, then S47 shall ensure that contemporaneous with the consummation of any such Transfer, S47 shall procure from the transferee pursuant to such transaction:
 - (a) a written agreement, wherein such transferee covenants and agrees to, and in favour of Silver Range, be bound by the terms and conditions of this Agreement and the Purchase Agreement, in both cases as if it were an original signatory thereto; and
 - (b) evidence satisfactory to Silver Range, acting reasonably, that such transferee has simultaneously acquired S47's right, title and interest in and to the Property.
- 7.2 Transfer by S47 to Affiliate. For greater certainty, notwithstanding Section 7.1, S47 may freely Transfer an interest in and to the Property, the Purchase Agreement or this Agreement at any time to an Affiliate of S47, on written notice to Silver Range.
- 7.3 Right of First Refusal. Silver Range may not Transfer the Royalty unless it complies with this Section 7.3.

- (a) Right of First Refusal - Upon receipt by Silver Range of an offer from a third party to Transfer the Royalty to, or in favour of, such third party, which Silver Range intends to accept, Silver Range shall not accept the same unless its acceptance is made conditional upon and until Silver Range has first irrevocably offered, by notice in writing (the "**ROFR Offer**"), to Transfer the Royalty to, or in favour of, S47 on the same terms and conditions as in the offer received (the "**Right of First Refusal**"). Such notice shall include a true and complete copy of the third party offer received by Silver Range, including the third party's identity. To the extent the third party offer consists, in whole or in part, of non-cash consideration, then Silver Range's notice to S47 shall include Silver Range's good faith estimate of the fair market value, in cash, of such non-cash consideration and S47 may match the offer by paying in cash the aggregate cash consideration, if any, and such estimate of the fair market value of the non-cash consideration. If S47 objects as to the reasonableness of Silver Range's estimate of the market value of the non-cash consideration, S47 shall so advise Silver Range and the dispute shall be submitted for determination to an independent Canadian national firm of chartered accountants with experience in the mining industry mutually agreed to by Silver Range and S47. Silver Range may not Transfer the Royalty unless all and not less than all of Royalty is being Transferred.

S47 shall have 30 days from receipt of the ROFR Offer to provide notice to Silver Range that S47 accepts the ROFR Offer (the "**Acceptance Period**"). Failure to provide any acceptance notice within the Acceptance Period shall be deemed to be a rejection by S47 of the ROFR Offer.

If S47 does not accept the ROFR Offer within the Acceptance Period after delivery of written notice of the ROFR Offer, Silver Range shall then have 120 days from the end of the Acceptance Period to complete the Transfer to, or in favour of, the third party originally making the offer of all but not less than all of the Royalty, on the same terms or terms no more favourable to the third party (a "**Third Party Transfer**"). If Silver Range does not Transfer all of the Royalty to, or in favour of, the third party on the same terms as offered to S47 or terms no more favourable to the third party within such 120 days, then Silver Range shall not proceed with any Transfer of the Royalty without again complying with the Right of First Refusal.

If S47 delivers notice within the Acceptance Period that it accepts the ROFR Offer, such acceptance shall constitute a binding agreement of purchase and sale between S47 and Silver Range in respect of the Royalty on the terms and conditions set out in the ROFR Offer (a "**Sale Transaction**").

- (b) Closing of a Sale Transaction. The closing of a Sale Transaction shall take place on the ROFR Closing Date. For purposes hereof, "**ROFR Closing Date**" means: (i) the date which is 30 days after the expiry of the Acceptance Period unless all filings, notices and authorizations necessary to complete the Sale Transaction have not been made, given or obtained by that date in which case the closing date shall be extended for up to 60 days in order to make, give or obtain the filings, notices and authorizations; or (ii) such earlier or later date as the parties to the Sale Transaction agree to in writing. At 10:00 am (Vancouver time) on the Closing Date, the payment of the purchase price for the Royalty (less any withholdings required by Applicable Law) shall be made by S47 against delivery by Silver Range of all such documents and instruments of Transfer as may be required to effectively Transfer the Royalty from Silver Range to S47 and the purchase of the Royalty shall be deemed to have been fully completed and all right, title, benefit

and interest, both at law and in equity, in and to the Royalty shall be conclusively deemed to have been Transferred to and become vested in S47 and all right, title, benefit and interest, both at law and in equity, of Silver Range, or of any third party purporting to have any interest, legal or equitable, thereon or thereto, shall cease in respect of the Royalty.

- (c) Closing of Third Party Transfer. S47 shall provide, and shall cause its directors to provide, all such approvals and authorizations on the part of S47 or its directors as are necessary or desirable to complete the Third Party Transfer, provided that the transferee, as of the effective date of the Transfer, has committed in writing (i) to assume and be bound by this Agreement to the same extent as Silver Range and (ii) to cause any assignee, transferee, mortgagee, pledgee or chargee from it to be bound by the terms of this Agreement. S47 covenants and agrees that it shall be bound by and shall perform, and that it will acknowledge in writing in favour of such assignee, transferee, mortgagee, pledgee or chargee that it is bound by and shall perform, the terms of this Agreement upon any such Transfer. Silver Range shall notify S47 in writing prior to the completion of any such Transfer, confirming the identity of such transferee and the new address for notice to such transferee.

7.4 Remedy on Failure of Silver Range to Comply. In the event that Silver Range fails or refuses to comply with any or all of the restrictions on Transfer set out in Section 7.3(a) and(b), Silver Range shall indemnify and hold harmless S47 for any and all losses, claims, damages and other liabilities suffered by S47 arising from Silver Range's failure or refusal to comply with such provisions, except for any consequential, punitive, indirect or ancillary damages.

7.5 Remedy on Failure of S47 to Comply. In the event that S47 fails or refuses to comply with any or all of the provisions set out in Section 7.3(c), S47 shall indemnify and hold harmless Silver Range for any and all losses, claims, damages and other liabilities suffered by Silver Range arising from S47's failure or refusal to comply with such provisions, except for any consequential, punitive, indirect or ancillary damages.

8. COMMINGLING

8.1 Commingling. S47 shall be entitled to commingle any Mineral Products from the Property with ores, concentrates or minerals from any other properties owned or leased by S47, during the stockpiling, milling (concentrating), smelting, refining, minting or further processing of Mineral Products produced from the Property, but, for greater certainty, not at any time prior to or during the mining phase of production. Following the expiration of the period for objections described in Section 4.3 and absent timely objection, if any, made by Silver Range, S47 may dispose of the samples of the Mineral Products and the data required to be kept and produced by this Section 8.1 after a period of six (6) years from the date such material and data are produced. Before any Mineral Products are commingled, including stockpiling, with ores, concentrates, doré or minerals from any properties other than the Property, they shall be measured and sampled in accordance with sound mining and metallurgical practices for moisture, metal and other appropriate content. Representative samples of the Mineral Products shall be retained by S47 and assays (including penalty substances) and other appropriate analyses of these samples shall be made before commingling to determine metal, mineral and other appropriate content and penalty substances of the Mineral Products. From this information, S47 shall determine the quantity of the Mineral Products subject to the Royalty notwithstanding that the Mineral Products have been commingled with ore or minerals from other properties.

9. TAILINGS

- 9.1 Tailings. All tailings, waste rock or other waste products resulting from the mining, milling, operations and activities of S47 on the Property shall be the sole and exclusive property of S47, but shall be subject to the Royalty and the terms of this Agreement if such tailings are processed in the future and result in the production of Mineral Products. If commingling of the tailings occurs, the amount of such tailings subject to the Royalty shall be measured and sampled in accordance with sound mining and metallurgical practices for moisture, metal and other appropriate content. Representative samples of the tailings shall be retained by S47 and assays (including penalty substances) and other appropriate analyses of these samples shall be made before commingling to determine metal, mineral and other appropriate content and penalty substances of the tailings. From this information, S47 shall determine the quantity of the tailings subject to the Royalty, notwithstanding that the tailings have been commingled with tailings from other properties.

10. OPERATIONS, BOOKS, RECORDS AND INSPECTIONS

- 10.1 Operations. All decisions concerning methods, the extent, times, procedures and techniques of any exploration, development, mining, leaching, milling, processing, extraction treatment, if any, and the materials to be introduced into the Property or produced therefrom and all decisions concerning the sale or other disposition of Mineral Products (including without limitation decisions as to buyers, times of sale, whether to store or stockpile Mineral Products for a reasonable length of time without selling the same) shall be made by S47, acting in a commercially reasonable manner and in accordance with good mining and engineering practice in the circumstances.
- 10.2 Mineral Products Lost in Process. S47 shall not be responsible for nor obliged to make any Royalty payments related to Mineral Products lost in any mining or processing of such Mineral Products conducted pursuant to customary mining practices. S47 shall not be required to mine or to preserve or protect the Mineral Products which under customary mining practices cannot be mined or shipped at a reasonable profit at the time mined.
- 10.3 Books and Records. S47 shall keep or cause to be kept true, complete and accurate books and records of all of its operations and activities with respect to the Property and the production of Mineral Products, prepared on an accrual basis in accordance with Canadian generally accepted accounting principles, consistently applied. From time to time and no more than two (2) times per annum, upon five (5) business days' prior notice given to S47, Silver Range may inspect and perform audits or other examinations of all of the books and records of S47 to confirm Royalty calculations and compliance with the terms of this Agreement, including without limitations, calculations of Net Smelter Returns, all at its own sole cost and expense. Without limiting the generality of the foregoing, Silver Range shall have the right to audit all invoices and other records relating to the transportation of Mineral Products from the Property to any mill, refinery or other Processor at which Mineral Products from the Property may be milled, smelted, concentrated, refined or otherwise treated or processed, and relating to the transportation of Mineral Products from any mill at which Minerals from the Property may be milled, to a Processor. Silver Range shall promptly commence and diligently complete any audit or other examination permitted hereunder. The reasonable expenses of any audit or other examination permitted hereunder shall be paid by Silver Range unless the results of such audit or other examination permitted hereunder disclose a deficiency in respect of the Royalty payments paid to Silver Range hereunder in respect of the period being audited or examined in an amount greater than 5% of the amount of the Royalty properly payable with respect to such period, in which event the costs of such audit or other examination shall be paid by S47.

- 10.4 Abandonment of Mining Titles. At any time and from time to time, S47 may elect to abandon all or any part or parts of the Property by giving notice to Silver Range of such election not less than ninety (90) days prior to the proposed date of abandonment. The notice shall identify the portion of the Property which is proposed to be abandoned. Upon expiry of such 90-day period, S47's obligations hereunder in respect of such abandoned interest shall terminate and thereafter the term "Property" will apply to those interests comprising the Property which have not been abandoned by S47. In such event, if requested by Silver Range, S47 shall execute documents Transferring to Silver Range, either title to any of the Mining Rights of the Property which S47 is abandoning or those new Mining Rights deriving from Mining Rights of the Property, that would cover the part or parts of the Property, that S47 is abandoning, for and in consideration of the sum of One Dollar (CAD\$1.00). S47 shall execute all necessary documents provided by Silver Range, acting reasonably, to apply and process the replacement of a Mining Right of the Property, for one or more Mining Right which would cover the part or parts of the Property which S47 is abandoning and Transfer such derived Mining Right to Silver Range.
- 10.5 Right to Monitor Processing of Minerals. Subject at all times to the workplace rules and supervision of S47, and provided any rights of access do not interfere with any exploration, development, mining or milling work conducted on the Property or at any mill at which Mineral Products from the Property may be processed, once per calendar year Silver Range shall, upon reasonable notice delivered to S47, and at its sole risk and expense, have: (a) a right of access by its representatives to the Property and to any mill used by S47 to process Mineral Products derived from the Property (provided that in the event such mill is not owned or controlled by S47, such right of access shall only be the same as any such right of access of S47); and (b) the right (i) to monitor S47's stockpiling and milling of Mineral Products derived from the Property and to take samples from the Property or any stockpile or from any mill or Processor (if not prohibited under any contract between S47 and any such Processor) for purposes of assay verifications; and (ii) to weigh or to cause S47 to weigh all trucks transporting Mineral Products from the Property to any mill processing Mineral Products from the Property prior to dumping of such ore and immediately following such dumping.

11. HEDGING

- 11.1 All profits and losses resulting from S47 engaging in any commodity futures trading, option trading, metals trading, gold loans, streaming transactions, offtake agreements or any combination thereof and any other hedging transactions (collectively, "**Hedging Transactions**") are specifically excluded from the calculations of Royalty payments pursuant to this Agreement. All Hedging Transactions by S47 and all profits or losses associated therewith, if any, shall be solely for S47's account.

12. INTEREST IN LAND - REGISTRATION

- 12.1 Interest in Land. It is the express intention of the Parties to this Agreement that the Royalty constitutes an interest in the Property and, accordingly, agree that:
- (a) the Royalty will run with the Property and be binding upon S47 and the successors of the Owner in title to the Property and any disposition or Transfer of the Property, or any interest therein, shall be subject to the Royalty; and
 - (b) any Transfer of any interest in the Property by the Owner will be effective only in accordance with Section 7.1 or Section 7.2, as applicable.

12.2 Registration. Silver Range may cause, at its own expense, the due registration or recording of this Agreement or notice thereof and any other documents relating to or contemplated by this Agreement and any caution or other title document registered against the title to the Property and in such other public offices as it may consider appropriate. S47 shall cooperate with such registration or recording and shall provide its written consent or signature to any documents or things necessary to accomplish such registration or recording in order to ensure that any successor or assignee or other acquiror or encumbrancer of S47's title to the Property, or any interest therein, shall have public notice of this Agreement and the terms of this Agreement and in order that Silver Range may cause to be registered a restriction on title to the Property restricting the Transfer of the Property, in whole or in part, except in compliance with the terms of this Agreement.

13. FORCE MAJEURE

13.1 If S47 is at any time prevented or delayed in complying with any provisions of this Agreement by reason of strikes, lock-outs, labour shortages, power shortages, fuel shortages, fires, wars, acts of terrorism, acts of God, governmental regulations restricting normal operations, shipping delays, pandemics or any other reason or reasons (other than lack of funds) beyond the reasonable control of S47, the time limited for the performance by S47 of its obligations hereunder shall be extended by a period of time equal in length to the period of each such prevention or delay.

13.2 S47 shall give prompt notice to Silver Range of each event of force majeure under Section 13.1 above and upon cessation of such event shall furnish Silver Range with notice to that effect together with particulars of the number of days by which the obligations of S47 hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

13.3 Upon the commencement of Commercial Production, S47 shall work, mine and operate the Property during such time or times as S47 in its sole judgment, acting reasonably, considers such operations to be profitable. S47 may suspend or curtail operations (both before and after commencement of Commercial Production) during periods when the products derived from the Property cannot, in S47's reasonable opinion, be profitably sold at prevailing prices or if an unreasonable inventory thereof, in S47's sole judgment, acting reasonably, has accumulated or would otherwise accumulate.

14. ARBITRATION

14.1 The Parties agree that all questions or matters in dispute, other than the enforceability of this Agreement, with respect to the interpretation of this Agreement or the calculation of royalties payable hereunder or in respect to any other dispute which the Parties agree shall be settled by arbitration, shall be submitted to arbitration pursuant to the terms hereof.

14.2 It shall be a condition precedent to the right of either Party to submit any matter to arbitration pursuant to the provisions hereof, that a Party intending to refer any matter to arbitration shall have given not less than ten (10) days' prior notice of its intention to do so to the other Party together with particulars of the matter in dispute. On the expiration of such ten (10) days, the Party who gave such notice may proceed to refer the dispute to arbitration as provided in Section 14.3 hereunder.

- 14.3 The Party desiring arbitration shall appoint one arbitrator, and shall notify the other Party of such appointment, and the other Party shall, within fifteen (15) days after receiving such notice, appoint an arbitrator, and the two arbitrators so named, before proceeding to act, shall, within thirty (30) days of the appointment of the last appointed arbitrator, unanimously agree on the appointment of a third arbitrator to act with them and be chairman of the arbitration herein provided for. If the other Party shall fail to appoint an arbitrator within fifteen (15) days after receiving notice of the appointment of the first arbitrator, the first arbitrator shall be the only arbitrator, and if the two arbitrators appointed by the Parties shall be unable to agree on the appointment of the chairman, the chairman shall be appointed under the provisions of the *Arbitration Act* (British Columbia). Except as specifically otherwise provided in this Section, the arbitration herein provided for shall be conducted in accordance with said *Arbitration Act* (British Columbia). The chairman, or in the case where only one arbitrator is appointed, the single arbitrator, shall fix a time and place in Vancouver, British Columbia, or in such other place as the Parties may mutually agree in writing for the purpose of hearing the evidence and representations of the Parties, and he shall preside over the arbitration and determine all questions of procedure not provided for under said *Arbitration Act* (British Columbia) or this Section. After hearing any evidence and representations that the Parties may submit, the single arbitrator, or the arbitrators, as the case may be, shall make an award and reduce the same to writing, and deliver one copy thereof to each of the Parties. The expense of the arbitration shall be paid as specified in the award.
- 14.4 The Parties agree that the award of a majority of the arbitrators, or in the case of a single arbitrator, of such arbitrator, shall be final and binding upon each of them.
- 14.5 Notwithstanding the provisions above, prior to referring any dispute matter to arbitration, the Parties will favour mediation as a method of dispute resolution.

15. GENERAL PROVISIONS

- 15.1 Further Assurances. Each Party shall execute all such further instruments and documents and shall do and take all such further actions as may be necessary to effectuate the documents and transactions contemplated in this Agreement.
- 15.2 Binding Effect. All covenants, conditions, and terms of this Agreement shall be of benefit to and run as a covenant with the Property and shall bind and enure to the benefit of the Parties hereto and their respective successors and assigns, including, without limitation, partners, joint venture partners, lessees and mortgagees. Nothing herein shall be construed to create, expressly or by implication, a joint venture, mining partnership, commercial partnership or other partnership relationship between the Parties.
- 15.3 Governing Law. This Agreement shall be governed by and construed under the laws of the Province of British Columbia and the laws of Canada applicable in the Province of British Columbia. The Parties irrevocably submit to the exclusive jurisdiction of the courts exercising jurisdiction in the Province of British Columbia and any court that may hear appeals from any of those courts for any proceeding in connection with this Agreement, subject only to the right to enforce a judgment obtained in any of those courts in any other jurisdiction.
- 15.4 Time of Essence. Time is of the essence in this Agreement.
- 15.5 Severability. If any provision of this Agreement is wholly or partially invalid, this Agreement shall be interpreted as if the invalid provision had not been a part hereof so that the invalidity shall not

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

- 15.6 Accounting Principles. All calculations hereunder shall be made in accordance with Canadian generally accepted accounting principles.
- 15.7 No Contra Proferentem. No rule of construction is to apply to the disadvantage of a party on the basis that that party drafted the whole or any part of this Agreement.
- 15.8 Notice. Any notice (including any invoice, statement or request or other communication) herein required or permitted to be given by any Party to the other shall be in writing in the English language and shall be delivered or sent by mail or email transmission or other means of prepaid recorded communication to the applicable address set forth below:

In the case of S47, to the following:

[REDACTED]

Attention: Gary Thompson
Email: *[REDACTED]*

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

DLA Piper (Canada) LLP
[REDACTED]

Attention: Denis G. Silva
Email: *[REDACTED]*

In the case of Silver Range, to the following:

Silver Range Resources Ltd.
[REDACTED]

Attention: Mike Power
Email: *[REDACTED]*

With a copy, which shall not constitute notice to:

Tupper Jonnson & Yeadon
[REDACTED]

Attention: Glenn Yeadon
Email: *[REDACTED]*

Any notice delivered shall be deemed to have been validly and effectively given on the day of such delivery. If the day of delivery is not a Business Day, notice shall be deemed to have been given and received on the next Business Day following such date. Any notice sent by mail or email transmission or other means of prepaid recorded communication shall be deemed to have been validly and effectively given on the Business Day next following the day on which it was sent.

[THIS SPACE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF the Parties hereto have executed this Agreement on the date hereinabove mentioned.

SILVER47 EXPLORATION CORP.

Per: _____
Authorized Signatory

SILVER RANGE RESOURCES LTD.

Per: _____
Authorized Signatory

G7 < 981 @ "A" TO ROYALTY AGREEMENT
DESCRIPTION OF PROPERTY

Claim Name	Claim Number	Grant Number	Mining District	Expiry Date	Registered Owner ⁽¹⁾	Total Number of Claims
H	1 - 68	YC75530 - YC75597	Dawson	Mar 26, 2031	Archer Cathro	68
H	69 - 88	YC75598 - YC75617	Dawson	Mar 26, 2035	Archer Cathro	20
H	89 - 159	YC75618 - YC75688	Dawson	Mar 26, 2031	Archer Cathro	71
HOT	1 - 11	YC62420 - YC62430	Dawson	Mar 26, 2035	Archer Cathro	11
HOT	12	YC62957	Dawson	Mar 26, 2035	Archer Cathro	1
HOT	13 - 22	YC63033 - YC63042	Dawson	Mar 26, 2034	Archer Cathro	10
M	1 - 12	YC69793 - YC69804	Mayo	Mar 26, 2034	Archer Cathro	12
M	19 - 126	YC69811 - YC69918	Mayo	Mar 26, 2034	Archer Cathro	108
Michelle	1 - 2	YC50208 - YC50209	Mayo	Mar 26, 2037	Archer Cathro	2
Michelle	3 - 20	YC50210 - YC50227	Mayo	Mar 26, 2036	Archer Cathro	18
Michelle	21 - 60	YC56625 - YC56664	Mayo	Mar 26, 2036	Archer Cathro	40
Michelle	61 - 90	YC57212 - YC57241	Mayo	Mar 26, 2036	Archer Cathro	30
Michelle	91 - 96	YC68288 - YC68293	Mayo	Mar 26, 2034	Archer Cathro	6
NS	1 - 16	YC76298 - YC76462	Dawson	Mar 05, 2033	Archer Cathro	165
Ot	1 - 30	YC76067 - YC76096	Dawson	Mar 26, 2031	Archer Cathro	30
US	1 - 42	YC69663 - YC69704	Mayo	Mar 26, 2034	Archer Cathro	42
ZN	1 - 148	YC70337 - YC70484	Mayo	Feb 26, 2036	Archer Cathro	148
Total:						782

(1) Archer Cathro means Archer, Cathro & Associates (1981) Limited, a private British Columbia mineral exploration consulting firm. Title to all of the quartz mining claims listed above is registered in the name of Archer Cathro and held in trust for Silver Range.