

ROYALTY PURCHASE AND SALE AGREEMENT

THIS ROYALTY PURCHASE AND SALE AGREEMENT dated as of September 4, 2018

B E T W E E N:

METALLA ROYALTY & STREAMING LTD., a company duly continued and existing under the laws of the Province of British Columbia (“**Metalla**”)

– and –

GOGOLD RESOURCES INC., a corporation duly incorporated and existing under the laws of Canada (the “**Seller**”)

WHEREAS the Seller, Agnico and the Owners executed the Santa Gertrudis Royalty Agreement (each as defined herein);

AND WHEREAS the Seller wishes to sell, and Metalla wishes to acquire, the Santa Gertrudis Royalty (as defined herein) owned by the Seller;

AND WHEREAS the Seller has agreed to sell, assign and transfer, and Metalla has agreed to purchase, all of the Seller’s right, title and interest in and to the Santa Gertrudis Royalty all on and subject to the terms and conditions hereof (the “**Transaction**”).

NOW THEREFORE, THIS AGREEMENT WITNESSES THAT in consideration of the promises and mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by each of the Parties, the Parties covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless something in the subject matter or context is inconsistent therewith:

“**Affiliate**” means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by, or is under common control with, that specified Person; provided that, for the purposes of this definition, “control” (including with correlative meanings, “controls”, “controlled by” and “under common control with”) means the power to direct or cause the direction of the management and policies of a Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, it being understood and agreed that, with respect to a corporation or partnership, “control” shall mean direct or indirect ownership of more than fifty percent of the voting securities or interests in any such corporation or partnership;

“**Agnico**” means Agnico Eagle Mines Limited;

“**Agreement**” means this royalty purchase and sale agreement, as it may be amended from time to time;

“**Applicable Law**” means (i) any Canadian or foreign constitution, treaty, law, statute, regulation, code, ordinance, principle of common law or equity, rule, by-law, Order or other requirement having the force of law; (ii) any policy, practice, protocol, standard, guideline or other pronouncement of any Governmental Authority which, although not necessarily having the force of law, is regarded by such Governmental

Authority as requiring compliance as if it had the force of law; and (iii) any interpretation of any Applicable Law (as defined in item (i) or (ii) above) by any Person having jurisdiction over it, or charged with its administration or interpretation;

“**Applicable Securities Laws**” means, collectively, the applicable securities laws of each of the provinces of Canada, and the respective regulations and rules made thereunder, together with all applicable policy statements, instruments, blanket orders and rulings of the applicable securities commissions or regulatory authorities in each of the provinces of Canada;

“**Business Day**” means a day other than a Saturday, Sunday or statutory holiday in Toronto, Canada, Halifax, Nova Scotia or Vancouver, Canada;

“**Closing**” has the meaning set forth in Section 2.1;

“**Closing Date**” has the meaning set forth in Section 2.1;

“**Closing Time**” means the time of Closing on the Closing Date;

“**Consent**” means any approval, consent, authorization, notice, sanction, exemption, waiver, expiry of waiting period or acknowledgement that may be required from any Person, a Party, an applicable stock exchange or any Governmental Authority pursuant to Applicable Law or the terms of any Contract or otherwise in connection with the transactions contemplated herein on the terms contemplated in this Agreement, or which is otherwise necessary to permit the Parties to perform their obligations under this Agreement;

“**Contracts**” means all existing, pending and executory contracts, agreements, leases, licenses, commitments, understandings, obligations and other binding arrangements (whether oral or written) to which the Party is a party or by which the Party or any of its properties or assets is bound or under which the Party has rights;

“**Disclosure Record**” means all information regarding Metalla that has been filed on the System for Electronic Document Analysis and Retrieval by or on behalf of Metalla since May 31, 2017;

“**Encumbrance**” means any lien, charge, assignment, pledge, mortgage, title retention agreement, security interest or easement of any kind, and any agreement, option, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing;

“**Governmental Authority**” means (i) any Canadian or foreign government, whether national, federal, provincial, state, territorial, regional, municipal or local, (ii) any court, tribunal, governmental arbitrator, agency, commission, authority or other instrumentality of any entity referred to in item (i) above, or (iii) any Person, official or individual acting within the power of or derived from any entity referred to in item (i) or (ii) above (whether administrative, legislative, executive or otherwise);

“**IFRS**” means the International Financial Reporting Standards issued by the International Accounting Standards Board;

“**Licence**” means any licence, permit, convention, authorization, certificate, consent, order, grant, right, notification, privilege, classification, registration, agreement, approval, award, determination, decision, decree or other evidence of authority issued or granted to, conferred upon, or otherwise created for, the applicable Party by any Governmental Authority;

“**Loss**” or “**Losses**” means all actual claims, demands, proceedings, fines, losses, damages, liabilities, deficiencies, costs and expenses (including all reasonable legal and other professional fees and disbursements, and interest) arising directly as a consequence of the matter giving rise to such Loss or Losses; provided that “Loss” and “Losses” shall not include, for any and all purposes, loss of future profit, consequential losses, or punitive damages;

“**Metalla MAE**” means any event, change, circumstance or state of facts that, individually or in the aggregate with other such events, changes, circumstances or states of fact, is or would be reasonably expected to have a material and adverse effect on the Buyer (on a consolidated basis) or market price of the common shares of the Buyer;

“**Notice**” has the meaning set forth in Section 10.3;

“**Offer**” has the meaning set forth in Section 3.1(i);

“**Offering Period**” has the meaning set forth in the Santa Gertrudis Royalty Agreement;

“**Order**” means any order, directive, judgment, decree, injunction, decision, ruling, award, writ or other pronouncement of any Governmental Authority;

“**Outside Date**” means the date that is 45 days from the end of the Offering Period in respect of this Transaction;

“**Owners**” means Coanzamex Santa Gertrudis, S.A. de C.V., First Silver Reserve, S.A. de C.V. and Recursos Escondidos, S.A. de C.V., collectively;

“**Party**” means a party to this Agreement and “**Parties**” means the parties to this Agreement, collectively;

“**Person**” means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof;

“**Proceedings**” means any action, cause of action, suit or proceeding, including appeals or applications for review, before or by any Governmental Authority, arbitrator or arbitration tribunal or any investigation or inquiry by any Governmental Authority;

“**Purchase Option**” means the right of the Owners or any of them to repurchase 50% of the Santa Gertrudis Royalty (representing 1% of the net smelter return) from the Seller, as more particularly described in Section 4.7 of the Santa Gertrudis Royalty Agreement;

“**Purchase Price**” has the meaning set forth in Section 4.1(b);

“**Regulatory Approval**” means any approval, consent, ruling, authorization, notice, sanction, order, exemption, permit, waiver, expiry of waiting period or acknowledgement that may be required from any applicable stock exchange or from any Governmental Authority pursuant to Applicable Law or under the terms of any Licence or the conditions of any Order or otherwise in connection with the transactions contemplated herein on the terms contemplated in this Agreement, or which is otherwise necessary to permit the Parties to perform their obligations under this Agreement;

“**Santa Gertrudis Assignment Agreement**” means the assignment and assumption agreement in respect of the Santa Gertrudis Royalty Agreement, to be executed and delivered by the Seller and Metalla, in the form attached hereto as Schedule “B”;

“**Santa Gertrudis Property**” means the mining claims set out in Schedule “A” to the Santa Gertrudis Royalty Agreement, as such mining claims may have been amended, relocated or converted;

“**Santa Gertrudis Royalty**” means the net smelter return royalty on ores mined from the Santa Gertrudis Property and any concentrates or other material or products derived therefrom as set forth in the Santa Gertrudis Royalty Agreement, together with all other rights of the Seller set forth in the Santa Gertrudis Royalty Agreement;

“**Santa Gertrudis Royalty Agreement**” means the net smelter return royalty agreement dated October 27, 2017 among the Seller, Agnico and the Owners, a copy of which is attached hereto as Schedule “A”;

“**Santa Gertrudis Undertaking**” means the instrument to be delivered by Metalla pursuant to Section 4.2(ii) of the Santa Gertrudis Royalty Agreement;

“**Seller MAE**” means any event, change, circumstance or state of facts that, individually or in the aggregate with other such events, changes, circumstances or states of fact, is or would be reasonably expected to have a material and adverse effect on (i) the Santa Gertrudis Royalty; (ii) the Santa Gertrudis Royalty Agreement; (iii) the Santa Gertrudis Property; or (iv) the ability of the Seller to perform its obligations under this Agreement;

“**Transaction**” has the meaning set forth in the recitals to this Agreement; and

“**TSXV**” means TSX Venture Exchange.

1.2 Governing Law

This Agreement shall be construed, interpreted and enforced in accordance with, and the respective obligations of the Parties shall be governed by, the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Each Party irrevocably attorns and submits to the exclusive jurisdiction of the British Columbia courts situated in the City of Vancouver and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

1.3 Severability

If any one or more of the provisions contained in this Agreement is held to be invalid, illegal or unenforceable in any respect under the laws of any jurisdiction, the validity, legality and enforceability of such provision will not in any way be affected or impaired thereby under the laws of any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein will not in any way be affected or impaired thereby.

1.4 Calculation of Time

If any time period set forth in this Agreement ends on a day which is not a Business Day, then notwithstanding any other provision of this Agreement, such period will be extended until the end of the next following day which is a Business Day.

1.5 Headings

The headings to the articles and sections of this Agreement are inserted for convenience only and will not affect the construction hereof.

1.6 Currency

In this Agreement, references to “\$” are to United States dollars.

1.7 Other Matters of Interpretation

Unless the context otherwise requires, in this Agreement:

- (a) the singular includes the plural and *vice versa*;
- (b) the masculine includes the feminine and neuter and *vice versa*;
- (c) references to any “Article”, “Section”, “subsection” or “Schedule” are to articles, sections and subsections of, and schedules attached to, this Agreement, respectively;
- (d) all provisions requiring a Party to do or refrain from doing something will be interpreted as the covenant of that Party with respect to that matter notwithstanding the absence of the words “covenants”, “agrees” or “promises”;
- (e) all provisions requiring a Party to do something will be interpreted as including the covenant of that Party to cause that thing to be done when the Party cannot directly perform the covenant but can indirectly cause that covenant to be performed, whether by an Affiliate under its control or otherwise;
- (f) the words “hereto”, “herein”, “hereby”, “hereunder”, “hereof” and similar expressions when used in this Agreement refer to the whole of this Agreement and not to any particular Article, Section, Schedule or portion hereof; and
- (g) references to any legislation or to any provision thereof shall include any amendment, modification or re-enactment thereof, any provision substituted therefor and all regulations, rules and interpretations issued thereunder or pursuant thereto.

1.8 Knowledge

All references to the knowledge of the Seller in this Agreement means, as applicable, the actual knowledge, after due enquiry, of Bradley Langille and Dana Hatfield.

1.9 Schedules

The following Schedules are attached to and form an integral part of this Agreement:

- Schedule “A” – Santa Gertrudis Royalty Agreement
- Schedule “B” – Form of Santa Gertrudis Assignment Agreement

ARTICLE 2
PROCESS FOR CLOSING ON CLOSING DATE AND MATTERS PERTAINING THERETO

2.1 Closing and Closing Date

The closing of the purchase and sale of the Santa Gertrudis Royalty (the “**Closing**”) shall occur on the later of (i) the 15th Business Day following Agnico's refusal or deemed refusal of the Offer pursuant to Section 4.4 of the Santa Gertrudis Royalty Agreement, (ii) the 45th day after the date hereof, or (iii) such other date prior to the Outside Date as may be agreed upon by Metalla and the Seller (the “**Closing Date**”). The Closing shall take place at such time as shall be agreed to by the Parties on the Closing Date at the offices of Metalla, or such other place as may be agreed to by the Parties.

2.2 Escrow

Any document, instrument or thing which is to be delivered by any of the Parties on the Closing Date shall be tabled by the Party which is to deliver such document, instrument or thing and any document, instrument or thing so tabled by a Party shall be held in escrow by the solicitors for such Party until:

- (a) if all documents, instruments and things which are to be delivered on Closing are tabled in accordance with this Section 2.2, delivered to the Party to which it is to be delivered pursuant to the terms hereof; or
- (b) if Section 2.2(a) does not apply, delivered to, or in accordance with the directions of, the Party which tabled such document, instrument or thing;

provided that, until delivery in accordance with Section 2.2(a) or Section 2.2(b), such document, instrument or thing shall not be considered to have been delivered hereunder and shall be of no force and effect.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Seller

The Seller represents and warrants to Metalla, and acknowledges that Metalla is relying on such representations and warranties in entering into this Agreement and completing the transactions contemplated hereby, that:

- (a) the Seller is a corporation incorporated, organized and subsisting under the laws of the jurisdiction of its incorporation and is qualified to carry on business in the jurisdictions in which it operates;
- (b) the Seller has full power and authority to carry on its business and to enter into and perform its obligations under this Agreement and any agreement or instrument referred to or contemplated by this Agreement;
- (c) the Seller is not an insolvent person, within the meaning of Applicable Law, and the Seller has not made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof or had any petition for a receiving order presented in respect of it;
- (d) all necessary corporate and shareholder approvals on the part of the Seller have been obtained and are in effect with respect to the transactions contemplated hereby, and no

further corporate action on the part of the Seller is necessary to make this Agreement valid and binding on it;

- (e) this Agreement has been duly executed and delivered by the Seller and constitutes a legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, subject to the availability of equitable remedies and the enforcement of creditors' rights generally;
- (f) neither the execution and delivery of this Agreement or any of the agreements referred to herein or contemplated hereby, nor the consummation of the transactions contemplated hereby, by the Seller in accordance with this Agreement, will (i) violate or result in the breach of the Applicable Laws of any jurisdiction applicable or pertaining thereto or of any of its constating documents, or (ii), provided that transactions contemplated by this Agreement constitute a Permitted Offer under the Santa Gertrudis Royalty Agreement, conflict with, result in the breach of, or accelerate any performance required under any Contract to which it is a party;
- (g) the Seller is not a non-resident of Canada within the meaning of Section 116 of the *Income Tax Act* (Canada);
- (h) there are no current or pending Proceedings or any Proceedings threatened by notice in writing received by the Seller or which are, to the knowledge of the Seller, otherwise threatened by or against the Seller, in each case relating to the Santa Gertrudis Royalty or the Santa Gertrudis Royalty Agreement, and the Seller is not aware of any basis for such Proceedings;
- (i) all of the Regulatory Approvals and Consents which are required in connection with the performance by the Seller of its obligations under this Agreement have been obtained, other than the requirement of the Seller to make an offer to Agnico to sell the Santa Gertrudis Royalty pursuant to Section 4.4 of the Santa Gertrudis Royalty Agreement (the "Offer") and the requirement that Agnico refuse or be deemed to refuse the Offer, and there are no other requirements for the Seller to give and receive any Consents in order for the Seller to consummate the Transaction;
- (j) the Seller has provided Metalla with all material information within its knowledge or in its possession or control that relates directly to the Santa Gertrudis Royalty or to the Santa Gertrudis Royalty Agreement;
- (k) the copy of the Santa Gertrudis Royalty Agreement attached as Schedule "A" hereto is a true, complete and accurate copy, un-amended as of the date hereof and the terms of the Santa Gertrudis Royalty contained therein are true, complete and accurate;
- (l)

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- (m) the Seller has no knowledge of, or received any notice of, any material claim, judicial or administrative proceeding, pending or threatened against, or which may affect, the Owners or the Santa Gertrudis Property relating to, or alleging any violation of any environmental laws;
- (n) except as set out in Sections 4.4 and 4.7 of the Santa Gertrudis Royalty Agreement, no Person other than Metalla has any oral or written agreement, option, right, privilege or any other right capable of becoming any of the same (whether legal, equitable, contractual or otherwise) for the purchase of any of the Seller's rights and benefits under the Santa Gertrudis Royalty or the Santa Gertrudis Royalty Agreement. There are no agreements to which the Seller is a party or by which it is bound that would reasonably be expected to have a material adverse effect on the rights of the Seller (or its assignees) under the Santa Gertrudis Royalty or the Santa Gertrudis Royalty Agreement; and
- (o) none of the execution and delivery of this Agreement, the performance by the Seller of its obligations hereunder or the completion of the Transaction will: (i) give any Person, other than Metalla, the right to terminate, cancel or amend any contractual or other right of the Seller under the Santa Gertrudis Royalty Agreement in respect of the Santa Gertrudis Royalty where such termination, cancellation or amendment would have a Seller MAE; (ii) result in the creation of any Encumbrance on the Santa Gertrudis Royalty or the Santa Gertrudis Royalty Agreement, or in a breach of or a default under any contract, permit or other agreement, or in the perfection of any floating charge on, or the acceleration of any rights or obligations in respect of, any of the property rights comprising the Santa Gertrudis Royalty or the Santa Gertrudis Royalty Agreement or entitle any Person in whose favor the Seller has granted any Encumbrance to enforce any security under that Encumbrance, or result in the crystallisation of any floating charge under that Encumbrance; or (iii) except as set out in Section 4.4 of the Santa Gertrudis Royalty Agreement, give rise to any right of first offer, pre-emptive right, right of first refusal or other right to purchase the rights of the Seller under the Santa Gertrudis Royalty Agreement in respect of the Santa Gertrudis Royalty.

3.2 Representations and Warranties of Metalla

Metalla represents and warrants to the Seller, and acknowledges that the Seller is relying on such representations and warranties in entering into this Agreement and completing the transactions contemplated hereby, that:

- (a) Metalla is a company duly continued, organized, validly subsisting and in good standing under the laws of its jurisdiction of incorporation and is qualified to carry on business in the jurisdictions in which it operates;

- (b) Metalla has full power and authority to carry on its business and to enter into and perform its obligations under this Agreement and any agreement or instrument referred to or contemplated by this Agreement;
- (c) Metalla is not an insolvent person, within the meaning of Applicable Law, and Metalla has not made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof or had any petition for a receiving order presented in respect of it;
- (d) all necessary corporate and shareholder approvals on the part of Metalla have been obtained and are in effect with respect to the transactions contemplated hereby, and no further corporate action on the part of Metalla is necessary to make this Agreement valid and binding on it;
- (e) this Agreement has been duly executed and delivered by Metalla and constitutes a legal, valid and binding obligation of Metalla, enforceable against Metalla in accordance with its terms, subject to the availability of equitable remedies and the enforcement of creditors' rights generally;
- (f) Metalla is a reporting issuer or the equivalent and is in compliance with its obligations under applicable securities laws and the rules of the TSXV in all material respects and is not included in any list of defaulting reporting issuers maintained by the applicable Canadian securities commissions;
- (g) the outstanding common shares of Metalla are listed and posted for trading on the TSXV;
- (h) Metalla has the power and authority to create, issue and deliver the common shares which may be issuable to the Seller under this Agreement and if, as and when issued, such common shares of Metalla will be validly issued as fully paid and non-assessable common shares in the capital of Metalla;
- (i) the issuance by Metalla of the common shares to the Seller will be exempt from the prospectus requirements of applicable securities laws and no document will be required to be filed and no proceeding taken or approval, permit, consent, order or Authorization obtained under any such laws in connection with the first trade of such common shares (assuming that:at the time of such trade, at least four months have elapsed from the "distribution date" (as such term is defined in NI 45-102)); such trade is not a "control distribution" as defined in NI 45-102; no unusual effort is made to prepare the market or create a demand for the security that is the subject of the trade; no extraordinary commission or consideration is paid to a person or company in respect of the trade; and, if the Seller is an insider of Metalla, it has no reasonable grounds to believe that Metalla is in default of "securities legislation" (as defined in National Instrument 14-101 Definitions));
- (j) there is no material change, as defined in applicable securities laws relating to Metalla, or any change in any material fact, as defined in applicable securities laws, relating to the common shares of Metalla, which has not been publicly disclosed in accordance with the requirements of applicable securities laws and the policies of the TSXV;
- (k) no order or ruling suspending the sale or ceasing the trading in any securities of Metalla or prohibiting the sale of such securities has been issued by any securities regulatory authority and no such order or ruling is outstanding against Metalla or its directors, officers or

promoters and no investigations or proceedings for such purposes have been threatened or, to the best of Metalla's knowledge, are pending or contemplated;

- (l) Metalla has complied with all continuous disclosure obligations under applicable securities laws. No portion of the Disclosure Record contained a misrepresentation as at its date of public dissemination;
- (m) the financial statements of Metalla contained in the Disclosure Record, filed with each applicable securities commission, have all been prepared in accordance with IFRS and present fairly in all material respects, the financial condition of Metalla as at the dates thereof and the results of the operations and the changes in the financial position of Metalla on a consolidated basis for the periods then ended, and reflect accurately all material liabilities of Metalla as at the dates thereof, and no adverse material changes in the financial position of Metalla has taken place since May 31, 2017;
- (n) Metalla has no material liabilities, fixed or contingent, that are not reflected and accurately accounted for in the financial statements of Metalla contained in the Disclosure Record or in the notes thereto, other than liabilities arising in the ordinary course of business since the date of such financial statements;
- (o) neither the execution and delivery of this Agreement or any of the agreements referred to herein or contemplated hereby, nor the consummation of the transactions contemplated hereby, by Metalla will (i) violate or result in the breach of the Applicable Laws of any jurisdiction applicable or pertaining thereto or of any of its constating documents, or (ii) conflict with, result in the breach of, or accelerate any performance required under any Contract to which it is a party; and
- (p) other than the approval of the TSXV with respect to the issuance of the Share Consideration, there are no Regulatory Approvals or Consents which are required in connection with the performance by Metalla of its obligations under this Agreement which have not been obtained.

3.3 Survival of Representations and Warranties

The Parties acknowledge and agree that the representations and warranties of the Seller in Section 3.1 and Metalla in Section 3.2 shall survive for a period of 24 months from the Closing Time.

ARTICLE 4 PURCHASE AND SALE OF ROYALTY

4.1 Purchase and Sale of the Santa Gertrudis Royalty

- (a) *Purchase and Sale.* The Seller hereby agrees to sell, convey, assign and transfer to Metalla all of its right, title and interest in and to the Santa Gertrudis Royalty and the Santa Gertrudis Royalty Agreement, and Metalla hereby agrees to purchase the same from the Seller and to assume and be responsible for the observance and performance of all obligations of the Seller under the Santa Gertrudis Royalty Agreement to the extent of the assigned interest, all on and subject to the terms and conditions of this Agreement and the Santa Gertrudis Assignment Agreement, such transfer to be effective as of and from the Closing Date.

- (b) *Purchase Consideration.* In consideration of the sale, conveyance, assignment and transfer to Metalla by the Seller of the Santa Gertrudis Royalty and the Santa Gertrudis Royalty Agreement, on and subject to the terms and conditions of this Agreement, Metalla agrees to pay to the Seller a purchase price in the amount of \$12,000,000 (the "**Purchase Price**") in cash, subject to Section 4.1(c) and/or Section 4.1(d).
- (c) *Share Consideration Option.* The Seller, at its option, has the right to receive one-half of the Purchase Price in that number of common shares of Metalla that is equal to the quotient arrived at by dividing the Canadian dollar equivalent of one-half of the Purchase Price (based on the US-CAD daily exchange rate on the date five Business Days prior to the Closing Date) by a price of C\$0.78 per Metalla share (the "**Share Consideration**"). Any Share Consideration will be subject to TSXV approval.
- (d) 

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ARTICLE 5 OTHER COVENANTS AND AGREEMENTS

5.1 Further Assurances; Registration of Title

The Seller covenants and agrees that, from time to time subsequent to the Closing Time, it will, at the expense of and upon the request of Metalla, acting reasonably, execute and deliver all such documents, instruments and agreements, including all such conveyances, transfers, consents, assumption documents and other assurances, and do all such other acts and things as may be required from time to time in order to effectuate any provision of this Agreement or of any agreement or other document executed pursuant to this Agreement or any of the respective obligations intended to be created hereby or thereby. In addition, the Seller will execute and deliver all such documents and do all such things as may be necessary to discharge and remove any registrations made in favour of the Seller in respect of the Santa Gertrudis Property.

5.2 ROFR Covenants

The Seller covenants and agrees that:

- (a) on the date hereof and immediately after the execution of this Agreement, Seller shall provide written "Notice" (as defined in Section 4.4 of the Santa Gertrudis Royalty Agreement) offering to sell the Santa Gertrudis Royalty to Agnico on the same terms as set out in this Agreement. The Notice shall state that the Offer is irrevocable and will include a complete copy of this Agreement. The Offer made by Seller to Agnico in the Notice will be irrevocable and may not be withdrawn by Seller for 45 days after delivery of the Notice; and
- (b) it shall provide immediate notice to Metalla, as applicable, (a) of Agnico's "Acceptance" (as defined in the Santa Gertrudis Royalty Agreement) of the Offer; and (b) if Agnico refuses or is deemed to have refused the Offer in respect of this Transaction pursuant to Section 4.4 of the Santa Gertrudis Royalty Agreement.

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**ARTICLE 6
CLOSING CONDITIONS**

6.1 Mutual Conditions Precedent to Closing

The Parties' obligation to complete the Transaction shall be subject to the following conditions, which conditions are for the benefit of all of the Parties and may only be waived, in whole or in part, by the Seller and Metalla in each case in their sole discretion:

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

6.2 Conditions Precedent in Favor of the Seller

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

- (a) each of the representations and warranties of Metalla contained in this Agreement shall be true and correct in all material respects as and when made and at and as of the Closing Time as though such representations and warranties were made at and as of the Closing Time except to the extent that such representations and warranties speak as of an earlier time, in which event such representations and warranties shall be accordingly true and correct as of such earlier time;
- (b) all covenants, agreements and conditions of Metalla contained in this Agreement to be completed prior to the Closing Time shall have been performed or completed in all material respects by Metalla;
- (c) if the Seller has exercised its option under Section 4.1(c), (i) there shall have been no Metalla MAE, (ii) the TSXV shall have conditionally approved the listing thereon of the common shares issuable to the Seller, subject to the fulfillment of the customary conditions; and (iii) (A) a legal opinion dated the Closing Date of counsel to Metalla with respect to Metalla and the issuance of the common shares to the Seller; and
- (d) the Seller shall have received all of the deliveries contemplated in Article 7 as being deliverable to it.

6.3 Conditions Precedent in Favor of Metalla

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

- (a) each of the representations and warranties of the Seller contained in this Agreement that are qualified by materiality or material adverse effect qualifications shall be true and correct in all respects and all other representations and warranties of the Seller contained in this Agreement shall be true and correct in all material respects except where any failures or breaches of representations and warranties would not, either individually or in the aggregate, have a material adverse effect, in each case as and when made and at and as of the Closing Time as though such representations and warranties were made at and as of the Closing Time except to the extent that such representations and warranties speak as of an earlier time, in which event such representations and warranties shall be accordingly true and correct as of such earlier time;
- (b) all covenants, agreements and conditions of the Seller contained in this Agreement to be completed prior to the Closing Time shall have been performed or completed in all material respects by the Seller;
- (c) Metalla shall have received all of the deliveries contemplated in Article 7 as being deliverable to it;
- (d) there shall have been no Seller MAE;

- (e) Agnico shall have refused or deemed to have refused the Offer pursuant to Section 4.4 of the Santa Gertrudis Royalty Agreement; and
- (f) Metalla shall have received from Seller's counsel one or more legal opinions with respect to the existence, binding nature and enforceability of the Santa Gertrudis Royalty and the ability of a company duly incorporated under the laws of Mexico to register the Santa Gertrudis Royalty on title to the Santa Gertrudis Property, in form satisfactory to Metalla and its counsel, each acting reasonably. For greater certainty Seller's legal counsel will not be required to rely on the books and records of Agnico or any of the Owners with respect to its legal opinion delivered hereunder.

ARTICLE 7 CLOSING DELIVERIES

7.1 Closing Deliveries in Respect of the Purchase and Sale of the Santa Gertrudis Royalty

- (a) *Seller Deliveries.* At the Closing, the Seller shall deliver or cause to be delivered to Metalla the following:
 - (i) the Santa Gertrudis Assignment Agreement duly executed by the Seller;
 - (ii) a copy of the instrument Seller is required to deliver to Agnico evidencing the change in the ownership of the Santa Gertrudis Royalty as contemplated by Section 4.2(i) of the Santa Gertrudis Royalty Agreement; and
 - (iii) any and all material information concerning the Santa Gertrudis Royalty in the possession of the Seller.
- (b) *Metalla Deliveries.* At the Closing, Metalla shall deliver or cause to be delivered to the Seller the following:
 - (i) the Purchase Price by wire transfer of immediately available funds and/or a share certificate representing the Share Consideration, if applicable;
 - (ii) a copy of the Santa Gertrudis Undertaking delivered to Angico; and
 - (iii) the Santa Gertrudis Assignment Agreement duly executed by Metalla.

7.2 Closing Deliveries in Respect of the Transaction Generally

- (a) *Seller Closing Deliveries.* At the Closing, the Seller shall deliver or cause to be delivered to Metalla the following:
 - (i) a certificate of the Seller, dated the Closing Date, and signed on behalf of the Seller, but without personal liability, by an officer or director of the Seller, certifying that:
 - (i) the Seller has complied with all covenants and satisfied all terms and conditions hereof to be complied with and satisfied by the Seller at or prior to the Closing Time;
 - (ii) each of the representations and warranties of the Seller contained herein that is qualified by materiality or material adverse effect is true and correct in all respects and each of the other representations and warranties of the Seller contained herein is true and correct in all material respects, except in each case where any failures or breaches of representations and warranties would not, either

individually or in the aggregate, have a material adverse effect, as of the Closing Time with the same force and effect as if made at and as of the Closing Time except to the extent that such representations and warranties speak as of an earlier time, in which event such representations and warranties are true and correct as of such earlier time; and (iii) no Seller MAE has occurred; and

- (ii) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by Metalla to complete the transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to Metalla, acting reasonably.
- (b) *Metalla Closing Deliveries.* At the Closing, Metalla shall deliver or cause to be delivered to the Seller the following:
- (i) a certificate of Metalla, dated the Closing Date, and signed on behalf of Metalla, but without personal liability, by an officer or director of Metalla, certifying that: (i) Metalla has complied with all covenants and satisfied all terms and conditions hereof to be complied with and satisfied by Metalla at or prior to the Closing Time; and (ii) each of the representations and warranties of Metalla contained herein is true and correct in all material respects as of the Closing Time with the same force and effect as if made at and as of the Closing Time except to the extent that such representations and warranties speak as of an earlier time, in which event such representations and warranties are true and correct as of such earlier time; and
 - (ii) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Seller to complete the transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to the Seller, acting reasonably.

ARTICLE 8 INDEMNIFICATION

8.1 Indemnity.

- (a) The Seller covenants and agrees to indemnify and save harmless Metalla from and against any Loss suffered by Metalla as a result of:
 - (i) any inaccuracy or breach of any of the representations or warranties of the Seller contained in Article 3 or covenants or obligations of the Seller contained in this Agreement not remedied by the Seller by the earlier of 30 days of receipt of notice of such inaccuracy or breach from Metalla and the Outside Date; or
 - (ii) any liability or claim related to the Santa Gertrudis Royalty accrued and/or arising from actions or events that were taken or occurred prior to the Closing Date.
- (b) Metalla covenants and agrees to indemnify and save harmless the Seller from and against any Loss suffered by the Seller as a result of:
 - (i) any inaccuracy or breach of any of the representations or warranties of Metalla contained in Article 3 or covenants or obligations of Metalla contained in this

Agreement not remedied by Metalla by the earlier of 30 days of receipt of notice of such inaccuracy or breach from the Seller and the Outside Date; or

- (ii) any liability or claim related to the Santa Gertrudis Royalty arising from actions or events that were taken or occurred on or after the Closing Date.

8.2 Notice of Claim, etc.

- (a) A Party that may be entitled to make a claim for indemnification (a "**Claim**") under this Agreement (the "**Indemnified Party**") shall give written notification to the other Party (the "**Indemnifying Party**") of such Claim (a "**Notice of Claim**") promptly upon becoming aware of the Claim. The Notice of Claim shall specify whether the Claim arises as a result of a claim by a person against the Indemnified Party (a "**Third Party Claim**") or whether the Claim does not so arise (a "**Direct Claim**"), and shall also specify with reasonable particularity, to the extent that the information is available, the factual basis for the Claim and the amount of the Claim.
- (b) The Indemnifying Party shall have the right, at its expense, to participate in or assume control of the negotiation, settlement or defence of any Third Party Claim and if the Indemnifying Party assumes control, it shall reimburse the Indemnified Party for all of the Indemnified Party's reasonable out-of-pocket expenses prior to the time the Indemnifying Party assumed control. If the Indemnifying Party elects to assume such control, the Indemnified Party shall have the right to participate in the negotiation, settlement or defence of such Third Party Claim and to retain counsel to act on its behalf, provided that the fees and disbursements of such counsel shall be paid by the Indemnified Party unless the named parties to any action or proceeding include both the Indemnifying Party and the Indemnified Party and the Indemnified Party receives written legal advice that representation of both the Indemnifying Party and the Indemnified Party by the same counsel would be inappropriate due to actual or potential differing interests between them.
- (c) If the Indemnifying Party fails to assume control of the defence of any Third Party Claim or defaults in respect of any of its obligations under this Section with respect thereto, the Indemnified Party shall have the exclusive right to contest the amount claimed and may settle and pay the same on 14 days' prior written notice to the Indemnifying Party and the Indemnifying Party shall thereupon be deemed to have agreed that such settlement is reasonable and may be agreed to by the Indemnified Party and all other persons liable in respect of the Third Party Claim unless within such 14-day period the Indemnifying Party notifies the Indemnified Party that it is assuming or reassuming control of such defence and thereafter assumes or reassumes such control and does not default.
- (d) The Indemnified Party and the Indemnifying Party shall co-operate fully with each other with respect to Third Party Claims, and shall keep each other fully advised with respect thereto (including supplying copies of all relevant documentation promptly as it becomes available).
- (e) If the Indemnifying Party, having elected to assume such control, thereafter fails to defend the Third Party Claim within a reasonable time, the Indemnified Party shall be entitled to assume such control.

**ARTICLE 9
TERMINATION**

9.1 Termination Rights

- (a) This Agreement may be terminated at any time prior to the Closing by the Seller, upon notice from the Seller to Metalla, if there has been a breach of any representation, warranty or covenant on the part of Metalla contained in this Agreement such that any condition specified in Section 6.1 or 6.2 would be incapable of being satisfied at the Closing and such breach is not waived by the Seller or cured by Metalla by the earlier of: (i) ten (10) Business Days after notice thereof from the Seller; and (ii) the Closing Date.
- (b) This Agreement may be terminated at any time prior to the Closing by Metalla, upon notice from Metalla to the Seller, if there has been a breach of any representation, warranty or covenant on the part of the Seller contained in this Agreement such that any condition specified in Section 6.1 or 6.3 would be incapable of being satisfied at the Closing and such breach is not waived by Metalla or cured by the Seller by the earlier of: (i) ten (10) Business Days after notice thereof from Metalla; and (ii) the Closing Date.
- (c) This Agreement may be terminated by the Seller or Metalla, upon notice from the Party seeking to terminate this Agreement to the other Party, if the Closing has not occurred by the Outside Date; provided that a party may not terminate this Agreement under this Section 9.1(c) if its failure to fulfill any of its obligations or its breach of any of its representations and covenants has been the cause of, or resulted in, the failure of Closing to occur by the Outside Date.
- (d) This Agreement may be terminated by Metalla or the Seller upon notice to the other if Agnico delivers an Acceptance (as such term is defined in the Santa Gertrudis Royalty Agreement) to the Seller of the Offer pursuant to Section 4.4 of the Santa Gertrudis Royalty Agreement or if Agnico advises the Seller or Metalla that the transactions contemplated by this Agreement do not constitute a “Permitted Offer” under the Santa Gertrudis Royalty Agreement.

Notwithstanding any other provision of this Agreement, if this Agreement is terminated, the provisions of Section 1.2, Section 5.3, Article 8, Section 10.3 and Section 10.7 shall survive such termination and remain in full force and effect, along with any other provisions of this Agreement which expressly or by their nature survive the termination hereof.

**ARTICLE 10
MISCELLANEOUS**

10.1 Public Documents

- (a) Metalla and the Seller may each publicly announce the transactions contemplated hereby promptly following the execution of this Agreement, the text and timing of each Party’s announcement to be approved by the other Party in advance, acting reasonably. No Party shall issue any press release or otherwise make public announcements with respect to this Agreement without the consent of the other Party (which consent shall not be unreasonably withheld or delayed); provided, however, that the foregoing shall be subject to each Party’s overriding obligation to make any disclosure or filing required under Applicable Laws or stock exchange rules, and the Party making such disclosure shall use all commercially

reasonable efforts to give prior oral or written notice to the other Party and reasonable opportunity to review or comment on the disclosure or filing, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure or filing.

- (b) The Parties acknowledge that this Agreement may be made public and filed on the System for Electronic Document Analysis and Retrieval (SEDAR) profile of Metalla, and the Parties consent to such public filings; provided that each Party shall be permitted a reasonable amount of time prior to any such filing in order to, if warranted, redact portions of this Agreement in accordance with Applicable Securities Laws, and Metalla shall file such redacted copies of this Agreement.

10.2 No Partnership

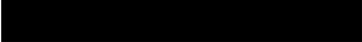
This Agreement is not intended to, and will not be deemed to, create any partnership relationship between the Parties including, without limitation, a mining partnership or commercial partnership. Save and except as specifically provided herein, the obligations and liabilities of the Parties will be separate and not joint or joint and several, and no Party will have or purport to have any authority to act for or to assume any obligations or responsibility on behalf of any other Party. Except as expressly set forth in this Agreement, nothing herein contained will be deemed to constitute a Party the partner, agent or legal representative of the other Party.

10.3 Notice

Any notice, election, proposal, objection or other document required or permitted to be given hereunder (each, a “**Notice**”) will be in writing addressed to the relevant Party or Parties as follows:

- (a) To the Seller:

GoGold Resources Inc.
Suite 1301, 2000 Barrington Street
Halifax, Nova Scotia B3J 3K1
CANADA

Attention: 
Email: 

Redacted - contact
information

- (b) To Metalla:

Metalla Royalty & Steaming Ltd.
543 Granville Street, Suite 501
Vancouver, British Columbia
V6C 1X8

Attention: 
Email: 

Redacted - contact
information

All Notices will be given by personal delivery or electronic transmission (whether by e-mail or otherwise), return receipt requested. All Notices will be effective and will be deemed delivered as follows:

- (i) if by personal delivery, on the date of delivery if delivered during normal business hours on a Business Day, and, if not, then on the next Business Day following delivery; and
- (ii) if by electronic communication, on the next Business Day following receipt of the electronic communication.

Any Party may at any time change its address for future Notices hereunder by Notice in accordance with this Section.

10.4 Further Assurances

Each Party will, at the request of another Party, execute all such documents and take all such actions as may be reasonably required to effect the purposes and intent of this Agreement.

10.5 Entire Agreement

This Agreement, including the Schedules hereto, constitutes the entire agreement of the Parties with respect to the subject matter hereof, all previous agreements and promises in respect thereto being hereby expressly rescinded and replaced hereby, including, but not limited to, the letter of intent dated July 10, 2018. No modification or alteration of this Agreement will be effective unless in writing executed subsequent to the date hereof by both Parties. No prior written or contemporaneous oral promises, representations or agreements are binding upon the Parties. There are no implied covenants contained herein.

10.6 No Waivers

No waiver of or with respect to any term or condition of this Agreement will be effective unless it is in writing and signed by the waiving Party, and then such waiver will be effective only in the specific instance and for the purpose of which given. No course of dealing among the Parties, nor any failure to exercise, nor any delay in exercising, any right, power or privilege hereunder will operate as a waiver thereof, nor will any single or partial exercise of any specific waiver of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

10.7 Costs and Transfer Taxes

Each Party will pay all legal, accounting and other costs and expenses incurred by it in connection with the negotiation, execution and preparation of this Agreement and all other documents and instruments prepared or executed in connection with the Transaction. Notwithstanding the foregoing, if Agnico delivers an Acceptance and either Seller or Metalla terminates this Agreement pursuant to Section 9.1(d), Seller will reimburse Metalla (in an amount up to \$50,000 in aggregate) its reasonable, documented and paid legal and due diligence expenses incurred in connection with this Transaction within five (5) Business Days of the date of termination of this Agreement.

Any transfer taxes, including but not limited to stamp duty, GST and VAT, resulting from the completion of the Transaction shall be borne by the Seller.

10.8 Time of the Essence

Time is of the essence in the performance of any and all of the obligations of the Parties, including, without limitation, the payment of monies.

10.9 Successors and Assigns

This Agreement shall enure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns. No Party may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its respective rights or obligations under this Agreement without the prior written consent of the other Party; provided, however, that each Party, may, in its sole discretion, assign its rights hereunder to a directly or indirectly wholly-owned subsidiary of such Party or such Party's ultimate holding company.

10.10 Third Party Beneficiaries

This Agreement is for the sole benefit of the Parties, and except as specifically provided for in Article 7, nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

10.11 Counterparts

This Agreement may be executed in multiple counterparts each of which will constitute an original, but all of which together will constitute one and the same instrument.

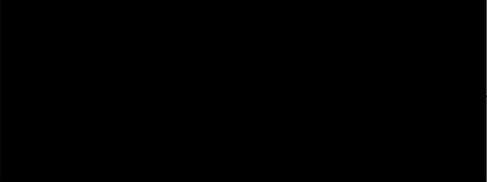
10.12 Electronic Transmissions

Delivery of an executed signature page to this Agreement by any Party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such Party.

[Signature pages follow]

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

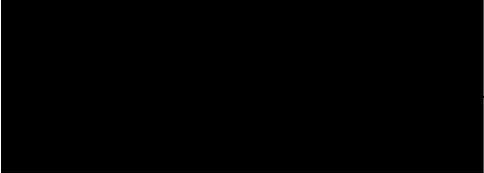
METALLY ROYALTY & STREAMING LTD.



Redacted - signature



GOGOLD RESOURCES INC.



Redacted - signature



SCHEDULE A

SANTA GERTRUDIS ROYALTY AGREEMENT

See following page.

NET SMELTER RETURN ROYALTY AGREEMENT

THIS AGREEMENT made the ____ day of _____, 201 ____,

BETWEEN:

GOGOLD RESOURCES INC.,
a corporation existing under the laws of
Canada,

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

- and -

AGNICO EAGLE MINES LIMITED,
a corporation existing under the laws of
the Province of Ontario,

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

- and -

**COANZAMEX SANTA GERTRUDIS,
S.A. DE C.V.,**
a corporation existing under the laws of
Mexico,

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

- and -

FIRST SILVER RESERVE, S.A. DE C.V.,
a corporation existing under the laws of
Mexico,

(hereinafter referred to as "**First Silver**")

- and -

RECURSOS ESCONDIDOS, S.A. DE C.V.,
a corporation existing under the laws of
Mexico,

(hereinafter referred to as "**Recursos**", and
together with Coanzamex and First Silver,
the "**Owners**", and each an "**Owner**")

WHEREAS the Holder is owed certain amounts by Coanzamex and has agreed to accept the grant by the Owners of the Royalty (as hereinafter defined) on all Products (as hereinafter defined) mined or otherwise received on or after the date hereof from the Property (as hereinafter defined) in full satisfaction of such amounts owed to it by the Owners;

AND WHEREAS as consideration for each of First Silver and Recursos granting the Royalty on that portion of the Property held by them and for agreeing to be jointly and severally liable for the Royalty granted under this Agreement with the other Owners, Coanzamex has agreed pursuant to indemnity agreements dated the date hereof (the "**Indemnity Agreements**") to reimburse and indemnify each of First Silver and Recursos for and from any and all costs, obligations and liabilities incurred in connection with this Agreement;

AND WHEREAS the Purchaser, the Holder and Animas Resources Ltd. entered into a share purchase and subscription agreement dated September 5, 2017, pursuant to which the Holder agreed to, *inter alia*: (i) enter into this Agreement; and (ii) grant the Purchaser a right of first refusal over the Royalty (as hereinafter defined);

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants and agreements herein contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Defined Terms

For purposes of this Agreement (including the recitals and Schedules hereto), the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"**Acceptance**" has the meaning ascribed to it in Section 4.4;

"**Affiliate**" means, at any time, and with respect to any Person, any other Person that at such time directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, such first Person;

"**Allowable Deductions**" means, for a period, the costs, charges and expenses actually incurred by or on behalf of the Owners during such period in connection with the smelting, refining, treatment, beneficiation and/or sale of Product removed from the Property, including:

- (a) smelting and refining charges, treatment charges and penalties, including all costs of assaying, analyzing, sampling or representation, custom-smelting, minting and refining, representative and umpire charges, metal deductions and losses, penalties for impurities and charges for treating, refining, beneficiating, storing

and handling the Product levied by the smelter, refinery or other place of treatment or beneficiation;

- (b) costs of transporting Product (including loading, freight, insurance, security, transportation, taxes, handling, port, demurrage, delay and forwarding expenses incurred by reason of or in the course of transportation) from the Property or from a concentrator, whether situated on or off the Property, to any smelter, refinery or other place of treatment or beneficiation and then to the place of sale, costs of offsite freight and insurance, security, storage, loading and discharge and ocean freight and port charges;
- (c) ore treatment charges and any direct charges and/or, penalties and any and all charges made by the purchaser of the Product;
- (d) sales, use, severance, excise, net proceeds of mine, ad valorem and any other Taxes payable directly on, or assessed against, the value or quantity of the Product;
- (e) marketing and other sales costs, including sales commissions or brokerage costs and fees and transportation costs, incurred in selling the Product; and
- (f) all production royalties or other fees based on mineral production that are currently or may become legally or contractually payable to any Governmental Authority,

provided that if any smelting, refining or other treatment or beneficiation is carried out in facilities owned or controlled, in whole or in part, by the Owners or their Affiliates, then the Allowable Deductions shall be the amount that the Owners would have incurred if such smelting, refining or other treatment or beneficiation were carried out at facilities not owned or controlled by the Owners or their Affiliates, and Allowable Deductions will not include 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 Allowable Deductions if those Products were processed by an independent third Person;

"**Arm's Length**" has the meaning as that term is understood for the purposes of the *Income Tax Act* (Canada);

"**Average Gold Price**" means, for any period, the arithmetic average "London Bullion Market Association (LBMA) Gold Price PM USD" as published by the LBMA on its website (or should that quotation cease, then means the average spot price as published by COMEX on the CME Group website or should that quotation cease, another similar quotation acceptable to the parties, acting reasonably) calculated by summing such quoted prices reported for each day (or the average of all such prices reported for each such day, if more than one) and dividing the sum by the number of days in the period for which such prices were reported;

"Business Day" means any day, other than a Saturday, Sunday or statutory holiday in the Province of Ontario on which commercial banks in Toronto, Ontario are open for business;

"Closing Date" has the meaning ascribed to it in Section 4.7(b);

"Commercial Production" means the mining, extraction, processing and recovery for commercial exploitation and sale of Mineral Products from the Project, excluding the taking, processing or shipping of minerals or Mineral Products from the Project for the purpose of bulk sampling, testing, determining the amenability of the minerals or Mineral Products to beneficiation processes or mining or processing by a pilot plant;

"Commingling Product" has the meaning ascribed to it in Section 2.4(d);

"Confidential Information" means the contents of this Agreement or any non-public information received under this Agreement relating to the Owners or the Property and all Technical Data, intellectual property owned or held by the Owners or any of their Affiliates and any other information concerning any matters affecting or relating to the business, operations, assets, results or prospects of the Owners or the Property, including information regarding plans, budgets, processes, results of exploration, development and mining and other data, except to the extent that such information has already been publicly released as allowed herein by the party providing such information or that the recipient of such information can demonstrate that such information was previously publicly released by a Person who did not do so in violation or contravention of any duty or agreement;

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the legal or beneficial ownership of either 50% of the securities or interests or sufficient securities or interests to elect a majority of the directors, trustees or other governing body of such Person, by contract or otherwise, and the terms **"Controlled"** and **"Controlling"** shall have meanings correlative to the foregoing;

"Dispute" has the meaning ascribed to it in Section 3.5;

"Dispute Notice" has the meaning ascribed to it in Section 3.5(b);

"Election Notice" has the meaning ascribed to it in Section 4.7(b);

"Environmental Laws" means Laws aimed at reclamation, restoration or closure of the Property, prevention and abatement of pollution, protection of the environment, protection of natural resources and wildlife (including endangered species), ensuring public and occupational health and safety (including from exposure to Hazardous Substances), protection of cultural or historic resources, releases or threatened release of Hazardous Substances, and all other Laws relating to the manufacturing, processing,

distribution, use, treatment, management, storage, disposal, handling, remediation, control or transport of Hazardous Substances;

"Environmental Orders" means Orders issued, filed or imposed by any Governmental Authority pursuant to any Environmental Laws and includes restrictions with respect to operations or land use (e.g., certificates of property use) and Orders requiring investigation, assessment, monitoring, managing, controlling, treatment, removal, excavation, mitigation, closure, rehabilitation or remediation of any site or Hazardous Substance, or requiring that any Release or any other activity be reduced, modified, managed, controlled, stopped or eliminated or requiring any form of payment or co-operation be provided to any Governmental Authority;

"Governmental Authority" means any: (a) federal, national, state, provincial, municipal, borough, foreign, international, multinational government or jurisdiction (and any political subdivision of any thereof); (b) any governmental or quasi-governmental authority (including any agency, branch, department, board, commission, court, tribunal, bureau or instrumentality or other entity exercising governmental or quasi-governmental powers); (c) any other body exercising or purporting to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority, including any stock exchange or self-regulatory organization; and (d) any official of (a), (b) or (c) while such official is acting in his or her official capacity;

"Governmental Authorization" means any order, directive, notice, permit, license, variance, franchise, approval, finding of suitability, certificate, consent, right, quota, derivative, ratification, grant, registration, recognition order, permission, clearance, privilege, confirmation, endorsement, waiver, exemption, exemption relief order, no-action relief order, certification, transfer, qualification, other authorization or similar right issued, granted, given or otherwise made available by or under the authority of any Governmental Authority, including under any agreement with any Governmental Authority, or pursuant to any Legal Requirement, as amended, modified, codified, replaced or re-enacted, in whole or in part, from time to time;

"Gross Revenues" for any period following the date the Property comes into Commercial Production, is determined as follows:

- (a) if Products are sold by the Owners to their Affiliates or in connection with Trading Activities, as applicable, then the Gross Proceeds in respect of such Products will be equal to the value of such Products with reference to the Average Gold Price, or other applicable industry standard quoted commodity price acceptable to the Owners, during the period, without regard to the proceeds actually received by the Owners;
- (b) if any Products are sold by the Owners in a manner that is not addressed in section (a) above, then the Gross Proceeds shall be the amount of gross proceeds actually received by the Owners or their Affiliates in the applicable period for the sale of

Product produced from the Property to a smelter, refiner, or other *bona fide* purchaser; and

- (c) 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 Owners or their Affiliates or otherwise, then the Gross Proceeds will be equal to the sum of the insurance proceeds actually paid to the Owners in respect of such loss or damage;

"Hazardous Substances" means any substance, material or waste defined, regulated, judicially considered, listed, identified or prohibited by Environmental Laws, including pollutants, contaminants, chemicals, deleterious substances, dangerous goods, hazardous or toxic substances, wastes, radioactive materials, flammable substances, explosives, petroleum and petroleum products, polychlorinated biphenyls ("**PCBs**"), chlorinated solvents and asbestos;

"IFRS" means the international financial reporting standards that have been established in Canada, including those approved from time to time by the International Accounting Standards Board or any successor body thereto;

"Indemnity Agreements" has the meaning ascribed to it in the recitals;

"Law" or **"Laws"** means all applicable laws (statutory or common), by-laws, constitutions, rules, ordinances, regulations, grants, concessions, franchises, licenses, orders, protocols, guidelines, directives, judgments, instructions and decrees of any Governmental Authority having jurisdiction or purported jurisdiction, and other applicable governmental restrictions, including permits and other similar requirements, whether legislative, municipal, administrative or judicial in nature, including Environmental Laws;

"Legal Requirement" means any Law or Order or other valid restriction of any Governmental Authority, and the terms of any Governmental Authorization, as amended, modified, codified, replaced or re-enacted, in whole or in part, from time to time;

"Mine Complex" means a mine, processing plant and related facilities constructed and operated to produce Mineral Products from the Project, including any modifications thereto;

"Mineral Products" means mineral bearing ores and all marketable products obtained after the mining thereof;

"Mining Right" has the meaning ascribed to it in Section 4.6(b);

"Net Smelter Return" means, in any period commencing in the period in which Commercial Production occurs, the amount, if any, by which Gross Revenues for such period exceed the Allowable Deductions for such period;

"**Notice**" has the meaning ascribed to it in Section 4.4;

"**Offering Period**" has the meaning ascribed to it in Section 4.4;

"**Operations Report**" has the meaning ascribed to it in Section 3.2;

"**Orders**" means orders, injunctions, judgments, administrative complaints, decrees, resolutions, rulings, awards, assessments, writs, decisions, directions, instructions, penalties or sanctions issued, filed or imposed by a Governmental Authority or arbitrator, including Environmental Orders;

"**Owners**" has the meaning ascribed to it in the recitals;

"**Permitted Offer**" means a *bona fide* offer from a Third Party that meets each of the following conditions: (i) it is in writing and has been executed by the Third Party and delivered to the Holder; (ii) it is for all (but not less than all) of the Holder's interest in the Royalty; (iii) it is irrevocable and non-transferable; (iv) the consideration payable under such offer is payable in cash, and in full, at closing; and (v) it does not contain any provision or term that cannot be reasonably satisfied by the parties thereto;

"**Person**" means any individual, corporation, legal person, any partnership, firm, joint venture, syndicate, association, trust, trustee, trust company, limited liability company, unincorporated organization, Governmental Authority or any other form of entity or organization;

"**Processor**" means, collectively, any Third Party smelter, refiner, processor, purchaser or other user of Products other than the Owners or their Affiliates;

"**Product**" means ores mined from the Property and any concentrates or other materials or products derived therefrom as part of the operations relating to the Property and carried out hereunder, provided, however, that if any such ores, concentrates or other materials or products are subjected to further treatment as part of such operations, such ores, concentrates or other materials or products shall not be considered to be "Product" until after they have been so treated;

"**Project**" means the Property and the activities and operations undertaken by or on behalf of the Owners in connection with the Property from time to time, including in respect of any associated Mine Complex;

"**Property**" means: (i) the mining concessions, exploration permits and all applications related thereto, located approximately 180 kilometres north of Hermosillo, Mexico as set out in Schedule A, and any renewal, replacements, substitutions or modifications of the foregoing; and (ii) surface rights, water rights and other rights relating to minerals or to access minerals, Governmental Authorizations and other forms of mineral title, whether contractual, statutory or otherwise, together with all other interests in real property, licenses, leases, fixtures and improvements and all easements, rights-of-way (including

for transmission lines and pipelines and related equipment), water rights, landing and access rights in respect of port access and all other appurtenances which, as of the date hereof, are held by or for the benefit of the Owners in connection with the Project;

"**Purchase Option**" has the meaning ascribed to it in Section 4.7(a);

"**Purchase Price**" has the meaning ascribed to it in Section 4.7(a);

"**Purchaser**" has the meaning ascribed to it in the recitals;

"**Representative**" means Coanzamex, and its successors and assigns;

"**Review Period**" has the meaning ascribed to it in Section 2.4(b);

"**Royalty**" means the net smelter royalty granted by the Owners to the Holder pursuant to Section 2.1;

"**Royalty Payment**" has the meaning ascribed to it in Section 2.2(a);

"**Royalty Rate**" has the meaning ascribed to it in Section 2.1;

"**Taxes**" means all imposts, royalties, duties, assessments, *ad valorem* and other taxes (other than income and capital taxes) imposed upon or in connection with producing, transporting and selling Products, by any federal, state or local governmental entity or subdivision thereof;

"**Technical Data**" means engineering studies and working papers, consultants reports and working papers, pre-feasibility reports, feasibility reports, mine plans, surface and underground maps, assays, samples, cores, analyses, geologic and geophysical maps, engineering maps, photographs, drill logs, exploration reports, environmental studies, correspondence with any Governmental Authority, reserve studies and reports, metallurgical studies and reports and all other information and data in printed or electronic form concerning the condition, geology, mineral potential, physical characteristics, mineability or other technical matters related to the Property or any facilities constructed by or for the Owners or the conduct of operations in connection with the Property;

"**Third Party**" means, in relation to any party, a person with whom such party deals at Arm's Length; and

"**Trading Activities**" means any and all price hedging and price protection activities undertaken by the Owners or their Affiliates with respect to any Products or currency exchanges, including any forward sale and/or purchase contracts, spot-deferred contracts, option contracts, speculative purchases and sales of forward, futures and option contracts, both on and off commodity exchanges.

1.2 Rules of Construction

Unless the context otherwise requires, in this Agreement:

- (a) the terms "Agreement", "this Agreement", "the Agreement", "hereto", "hereof", "herein", "hereby", "hereunder" and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof;
- (b) references to an "Article", "Section" or "Schedule" followed by a number or letter refer to the specified Article or Section of or Schedule to this Agreement;
- (c) the division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;
- (d) words importing the singular number only shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders and vice versa;
- (e) unless otherwise indicated, any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;
- (f) the words "include", "includes" and "including" mean "include", "includes" or "including", in each case, "without limitation";
- (g) reference to any agreement or other instrument in writing means such agreement or other instrument in writing as amended, modified, replaced or supplemented from time to time;
- (h) unless otherwise indicated, time periods within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and
- (i) whenever any payment to be made or action to be taken hereunder is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next following Business Day.

1.3 One Voice Rule

This Agreement has been drafted on the basis that the Holder need only deal with the Representative, as the representative of all of the Owners, it being understood and agreed that: (i) by the execution and delivery of this Agreement, the Representative agrees to act for and on behalf of the Owners with respect to all matters relating to the Owners under this Agreement; and (ii) by their execution and delivery of this Agreement, First Silver and Recursos agree that

the Representative, has full right, power and capacity to act for and on their behalf with respect to all matters relating to the Owners under this Agreement.

1.4 Entire Agreement

This Agreement, together with the other documents executed and delivered in connection herewith, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral, with respect to all matters arising after the date hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as provided herein or as provided in other documents executed and delivered by the parties in connection herewith.

1.5 Currency

Unless otherwise indicated, all dollar amounts in this Agreement are expressed in United States dollars.

1.6 Schedules

The following Schedules are attached to and form an integral part of this Agreement:

Schedule A - Mining Concessions

ARTICLE 2
NET SMELTER ROYALTY

2.1 Grant of Royalty

On the terms and subject to the conditions of this Agreement, each of the Owners hereby grants, transfers and conveys to the Holder an interest in and right to the Property (in respect of the portion of the Property over which each such Owner has title) and minerals derived from such Property, to the extent of the Royalty payable hereunder. The Owners agree to pay, beginning on the date on which any portion of the Property comes into Commercial Production, to the Holder or the person designated as an assignee by the Holder, a net smelter royalty (the "**Royalty**") at a fixed rate of 2% (the "**Royalty Rate**") of the Net Smelter Return. The Owners agree that that will be jointly and severally liable for the Royalty and the Holder may seek payment of any obligation due from an Owner, or exercise any right pursuant to this Agreement, against any individual Owner or against any combination of Owners, in its sole discretion and the Indemnity Agreements shall not derogate or diminish the right of the Holder in the exercise of its rights.

2.2 Calculation and Payment of Royalty

(a) The Royalty payable to the Holder shall be calculated on a quarterly basis (beginning in the calendar quarter that any portion of the Property comes into Commercial Production) and the amount of the Royalty payable to the Holder in respect of any applicable calendar quarter (the "**Royalty Payment**") shall be equal to the product of the Net Smelter Return for such calendar quarter multiplied by the Royalty Rate.

(b) The Royalty Payment the Owners are obligated to pay the Holder in respect of each applicable calendar quarter, shall be paid to the Holder within 60 days after the end of each such applicable calendar quarter by delivery to the Holder of a certified cheque, bank draft or wire transfer made payable to, or to the order of, the Holder. At the time each Royalty Payment is made, the Owners shall deliver to the Holder an Operations Report.

(c) All Royalty Payments shall be made in United States dollars and will be made subject to withholding or deduction in respect of the Royalty for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of any government having power and jurisdiction to tax and for which a Processor or the Owners are obligated by Law to withhold or deduct and remit under Legal Requirements to the relevant taxation authorities.

(d) The Owners shall not deduct the costs of mining, milling, leaching or any other on-site processing costs (other than Allowable Deductions) incurred by the Owners or their Affiliates in the determination of the Net Smelter Return.

(e) The Owners shall have the right to mine, remove and sell small amounts of Product as is reasonably necessary for sampling, assaying, metallurgical testing and evaluation of the minerals potential of the Property. The Holder shall not be entitled to a Royalty in respect of such sales.

2.3 Interest in Land

The parties hereto intend that the Royalty, to the extent permissible under applicable Laws, constitutes an interest in the Property and, accordingly, agree that, to the extent permitted by applicable Laws:

- (a) the Royalty will run with the Property and any disposition or transfer of the Property, or any interest therein, shall be subject to the Royalty;
- (b) any sale or other disposition of any interest in the Property by the Owners will be effective only in accordance with Section 4.6; and
- (c) the Holder may register this Agreement in the Public Registry of Mining of Mexico and the Owners shall sign and deliver to the Holder any and all forms or other documents (including, at the expense of the Holder, a Spanish version of this Agreement acceptable to the Owners, acting reasonably), and use its

commercially reasonable efforts to take any actions required, as the Holder may reasonably request so that the Holder may register this Royalty in the Public Registry of Mining; provided, however, that the Owners shall not be required to in any way amend or revise this Agreement.

2.4 Accounting Matters

(a) All calculations and computations relating to the Royalty Payments to be made to the Holder hereunder shall be made on the accrual method and shall be carried out on a consistent basis in accordance with IFRS to the extent that such standards are not inconsistent with the provisions of this Agreement. In the event of any inconsistency between IFRS and the provisions of this Agreement, the provisions of this Agreement shall prevail.

(b) Any Royalty Payment made hereunder shall be considered final and in full satisfaction of all obligations of the Owners hereunder in respect of the Royalty payable for the period to which such payment relates unless within 90 days (the "**Review Period**") after the receipt by the Holder of a Royalty Payment, the Holder provides a written notice of its objection (describing in detail the specific objection and its basis therefor) to the Owners. If a Dispute arises in connection with the Holder's objection the parties to the Dispute shall use their best efforts to successfully settle the matter. If the Dispute cannot be resolved by the mutual agreement of the parties within 90 days after receipt of such notice of objection by the Owners, any party to the Dispute may elect to have the Dispute arbitrated in accordance with Section 3.5.

(c) Representatives of the Holder (which may include representatives of the Holder's auditor) shall be entitled, within the Review Period and upon not less than 10 Business Days' prior written notice from the Holder, to inspect and audit the books of account, records and supporting materials of the Owners related to the determination of the Royalty Payment or otherwise confirming the rights and obligations of the Holder and the Owners hereunder; provided, however, that the Holder's right to such inspection and audit may not be exercised more frequently than annually. If such audit determines that there has been a deficiency or an excess in the Royalty Payment made to the Holder, such deficiency or excess shall be resolved by adjusting the next Royalty Payment due hereunder. The Holder shall pay all costs and expenses of any inspection or audit unless a deficiency of 5% or more of the amount due to the Holder is determined to exist, in which case the Owners will pay the costs of such audit. Notwithstanding Section 3.5, in the event a Dispute arises regarding any adjustment to Royalty Payments as provided in this Section 2.4(c) which cannot be resolved by the mutual agreement of the parties within 90 days, any party may elect to have the Dispute arbitrated in accordance with Section 3.5. The accounting firm selected by the Holder to perform the audit shall enter into a confidentiality agreement in favour of the Owners that includes the confidentiality provisions of Section 3.4.

(d) The Owners shall have the right to commingle any Products (the "**Commingling Products**") with ore, concentrates, minerals and other material mined and removed from other properties. The Owners shall give written notice to the Holder prior to such commingling. Before any Commingling Product is commingled with ore, concentrates, minerals and other

material mined and removed from other properties, the Commingling Product shall be measured and sampled in accordance with sound mining and metallurgical practices for moisture, metal, mineral and other appropriate content and penalty substances of the Commingling Product. Representative samples of the Commingling Product and the results of the measuring and sampling (including penalty substances) shall be retained by the Owners. From this information, the Owners shall determine the quantity of the Commingling Product subject to the Royalty notwithstanding that the Commingling Product has been commingled with ore, concentrates, minerals and other material mined and removed from other properties. Following the expiration of the Review Period, and absent timely objection, if any, made by the Holder, the Owners may dispose of the materials and data required to be kept and produced by this section.

(e) Any Trading Activities engaged in by the Owners or their Affiliates in respect of Products, and the profits and losses generated thereby, shall not, in any manner, be taken into account in the calculation of Royalty Payments due to the Holder, whether in connection with the determination of price, the date of sale or the date any Royalty Payment is due or in any other respect. The Holder acknowledges that the Owners or their Affiliates engaging in Trading Activities may result in the Owners or their Affiliates realizing from time to time fewer or more dollars for Product than the amount determined for Gross Revenues. Similarly, the Holder shall not be obligated to share in any losses generated by any such Trading Activities with respect to any Product.

(f) For the purpose of determining the amount of the Royalty Payments required to be made to the Holder pursuant to Section 2.2, all receipts and disbursements in a non-United States currency will be converted into United States currency on the basis of the daily exchange rate quoted by the United States Federal Reserve Bank on the last Business Day prior to the date of receipt or disbursement, as the case may be, or, failing such quotation, on the basis of the daily exchange rate quoted by Bank of America or its successors on that Business Day.

ARTICLE 3

REPORTING, ACCESS AND DISPUTE RESOLUTION

3.1 Records

The Owners shall, from and after the date hereof, keep accurate records of the tonnage, volume of Products, analysis of Products, weight, moisture, assays of pay metal content and other records, as appropriate, related to the determination of the Net Smelter Return.

3.2 Operations Reports

(a) At the same time as paying each Royalty payment under Section 2.2, the Owners shall provide to the Holder a report setting out in reasonable detail the following information ("**Operations Report**"):

- (i) the quantity, type and grade of Products produced and sold by the Owners during the applicable calendar quarter;

- (ii) the Royalty payable for the applicable calendar quarter, and details of the Gross Revenues (including details of the calculation of Average Gold Price determined as applicable and proceeds of sale for other Products) and Allowable Deductions underlying the calculation of the Royalty; and
- (iii) other pertinent information in sufficient detail to explain the calculation of the Royalty payment.

3.3 Inspection Rights

(a) At any time after Commercial Production has been achieved, upon not less than 30 days' notice to the Owners, the Holder or its authorized representatives may enter upon all surface and subsurface portions of the Property for the purpose of inspecting the Property, all improvements thereto and operations thereon, and may, subject to the obligations of confidentiality described in Section 3.4, inspect and copy all records and data directly pertaining to the determination of the Royalty, including such records and data related to the determination of such mineral content in Commingled Products and including such records and data which are maintained electronically; provided, however, that this inspection right shall not be exercised by the Holder more frequently than semi-annually. The Holder and its authorized representatives shall enter the Property at its own risk and may not unreasonably hinder operations on or pertaining to the Property.

(b) The Holder shall indemnify and save harmless the Owners and their Affiliates and their respective directors, officers, shareholders, employees, agents and attorneys (each, an "**Indemnified Party**"), from and against any expenses, costs, penalties, fines, losses, liabilities (including, any amounts paid in settlement, all interest and penalties and all legal and other professional fees and disbursements) which may be suffered or incurred by any of them by reason of damage to property or injury to the Holder or any of its agents or representatives caused by the Holder's exercise of its rights under this Section 3.3, except where such damage or injury was caused by the gross negligence or wilful misconduct of an Indemnified Party.

3.4 Confidentiality

(a) All Confidential Information shall be treated by the Holder as confidential during the term of this Agreement and at all times thereafter. The Holder shall not, without the express written consent of the Owners, disclose Confidential Information, other than to employees, agents, consultants or advisors of the Holder in respect of the administration or enforcement of its rights hereunder and who agree to be bound by the confidentiality provisions of this Agreement (the breach of which shall be deemed to be a breach by the Holder). In addition, the Holder shall not use any Confidential Information for its own use or benefit except for the purpose of this Agreement.

(b) Notwithstanding Section 3.4(a), the Holder may disclose Confidential Information:

- (i) to a prospective lender to whom the Holder may, in good faith, grant an interest in the Royalty Payments as security for the Holder's *bona fide* obligations to such lender, but only if such lender enters into a confidentiality agreement in favour of the Owners that includes the confidentiality provisions of this Section 3.4;
- (ii) if the disclosure is required by applicable Laws;
- (iii) if the disclosure is necessary to comply with a directive or request of, or to obtain an authorization from, any Governmental Authority;
- (iv) if the disclosure is made on a confidential basis to a prospective assignee or financier of the party, provided that such prospective assignee or financier enters into a confidentiality agreement in favour of the Owners that includes the confidentiality provisions of this Section 3.4.

(c) If the Holder determines that it is required to publish or disclose the text of this Agreement or any other Confidential Information in accordance with Sections 3.4(b)(ii) and 3.4(b)(iii), it shall provide the Owners with prompt written notice so that the Owners may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. If such protective order or other remedy is not obtained and the Owners do not waive compliance with the provisions of this Agreement, the Holder shall disclose, or permit the disclosure of, only that portion of the Confidential Information that is required by Law or the Government Authority to be disclosed and the Holder will provide the Owners with an opportunity to propose appropriate redactions to the text of this Agreement or such Confidential Information, and the Holder hereby agrees to accept any such suggested redactions or not make such disclosure, as the case may be, to the extent permitted by such Law. If the Owners do not respond to a request for comments within 48 hours (excluding days that are not Business Days), the Holder shall be entitled to issue the disclosure without the input of the Owners. The Holder shall disclose, or permit disclosure of, only that portion of Confidential Information required to be disclosed by Law.

3.5 Cooperation and Dispute Resolution

(a) In the event of any dispute, claim, question or disagreement (each a "**Dispute**") arising out of or relating to this Agreement or breach thereof, the parties to the Dispute shall use all reasonable endeavours to settle such Dispute pursuant to this Section 3.5, to the extent permitted by Law.

(b) If a Dispute arises, the parties shall consult and negotiate with each other in good faith and attempt to reach a just and equitable solution to the Dispute, satisfactory to all parties, within a period of 30 days following written notice of the Dispute (the "**Dispute Notice**") by one party to the other parties.

(c) If the parties cannot resolve the Dispute within the 30 day period following delivery of the Dispute Notice, any party may refer the Dispute to arbitration in accordance with the *International Commercial Arbitration Act* (Ontario) and based upon the following:

- (i) there shall be one arbitrator if the parties to the Dispute mutually agree on the selection of such arbitrator within 15 days following receipt of the written request from the party requesting arbitration. If the parties do not reach an agreement on a single arbitrator within such period, there shall be three arbitrators, one of whom shall be designated by the Owners or the Purchaser, as the case may be, one of whom shall be designated by the Holder and the two arbitrators so designated shall appoint the third arbitrator who shall preside over the arbitration tribunal;
- (ii) if the Owners or the Holder fail to appoint an arbitrator within five days following the termination of the 15 day period provided in 3.5(c)(i) above, or if each of the Purchaser and the Holder has designated an arbitrator pursuant to 3.5(c)(i) and the two arbitrators fail to designate a third arbitrator within another five days after they both have been designated, then the missing arbitrator(s) will be designated upon the request of either the Purchaser or the Holder by a judge of the Ontario Superior Court of Justice;
- (iii) the arbitration shall be conducted in English and held in the City of Toronto;
- (iv) the arbitrator or arbitration panel shall determine what portion of the costs and expenses incurred in such proceeding shall be borne by each party participating in the arbitration;
- (v) the award of the arbitrator shall be final and binding on each of the parties and shall not be subject to any appeal on any ground, including an error of law; and
- (vi) the parties covenant that they shall conduct all aspects of such arbitration having regard at all times to expediting the final resolution of such arbitration.

ARTICLE 4 **ASSIGNMENT**

4.1 Restriction on Assignment

Unless expressly permitted by this Article 4, the Holder may not assign, transfer or otherwise convey this Agreement or all or any of its rights or obligations hereunder in any manner whatsoever, without the prior written consent of the Purchaser.

4.2 Assignment by Holder to Affiliate

The Holder may assign, transfer or otherwise convey this Agreement or all, but not less than all, of its rights in the Royalty to any of its Affiliates without the prior written consent of the Purchaser; provided, however, that no such assignment, transfer or conveyance shall be effective unless: (i) the Holder delivers to the Purchaser a certified copy of the instrument evidencing the change in the ownership in the Royalty as contemplated by Section 4.3; and (ii) the transferee has executed and delivered to the Purchaser an instrument pursuant to which the transferee agrees to be bound by the terms hereof and by all of the liabilities and obligations of the transferor hereunder in the same manner and to the same extent as though the transferee was an original party hereto.

4.3 Change in Ownership of Right to Royalty

No change or division in the ownership of the Royalty, however accomplished, shall enlarge the obligations or diminish the rights of the Owners. The Holder covenants and agrees that any change in ownership of the Royalty shall be accomplished in such a manner that the Owners and their Affiliates shall be required to make payments and give notice to no more than one Person and, upon breach of this covenant, the Owners and their Affiliates may retain all Royalty Payments otherwise due until such breach has been cured. No change or division in the ownership of the Royalty or right to Royalty Payments shall be binding on the Owners or their Affiliates until the Holder shall have delivered to the Owners a certified copy of the instrument evidencing the change or division of such ownership.

4.4 Right of First Refusal

If the Holder receives a Permitted Offer to acquire the Royalty and the Holder wishes to accept the Permitted Offer, then, prior to acceptance of the Permitted Offer and any disposition of the Royalty, the Holder must first cause to be delivered to the Purchaser an offering notice (the "**Notice**"), offering to sell the Royalty to the Purchaser on the same terms as set out in the Permitted Offer. The Notice will state that the offer is irrevocable and will include a complete copy of the Permitted Offer. The offer made by the Holder to the Purchaser in the Notice will be irrevocable and may not be withdrawn by the Holder for 45 days after delivery of the Notice (the "**Offering Period**"). If, during the Offering Period, the Purchaser wishes to accept the offer on the terms set out in the Notice, then, prior to the end of the Offering Period, the Purchaser must deliver written notice to the Holder stating that the Purchaser accepts the offer contained in the Notice (an "**Acceptance**"). If the Holder does not receive an Acceptance from the Purchaser prior to the end of the Offering Period, then the Purchaser will be deemed to have refused the offer. If the Purchaser accepts the offer in accordance with this Section 4.4, then the Holder will sell and transfer the Royalty to the Purchaser, and the Purchaser will acquire the Royalty on the terms specified in the Notice as will be set out in a binding contract with respect to the Royalty to be entered into between the Holder and the Purchaser. The disposition of the Royalty to the Purchaser contemplated by this Section 4.4 will be completed on such date as the Holder and the Purchaser may agree and, failing such agreement, on the first business day that is 45 days following the Holder's receipt of the Acceptance from the Purchaser. If Purchaser

refuses or is deemed to refuse the offer, then the Holder may complete the sale with the proposed purchaser as provided for in the Permitted Offer in accordance with the terms set out in the Permitted Offer. If the sale to the proposed purchaser is not so completed within 45 days from the end of the Offering Period, then any subsequent sale to any person or entity may be made only if all of the requirements of this Section 4.4 are again complied with, and the right of first refusal set out in this Section 4.4 will survive and continue in full force and effect. To permit the practical application of this Section 4.4, the Royalty may not be sold by the Holder as part of or incidental to the sale of any other assets or any other transaction.

4.5 Assignment by Purchaser or Owners

(a) The Purchaser may assign, transfer or otherwise convey this Agreement or all or any of its rights or obligations hereunder in connection with any assignment or conveyance of the Property, whether directly by the Owners or indirectly by the Purchaser through a sale of the Owners by the Purchaser, without the prior written consent of the Holder.

(b) The Owners may, at any time and from time to time, transfer or otherwise convey this Agreement or all or any of their rights or obligations hereunder in connection with the amalgamation, combination, merger, or similar transaction of one or more of the Owners with one or more of the Owners or with any Affiliate of an Owner.

4.6 Transfer or Abandonment by Owners

(a) The Owners may not transfer, sell, assign or otherwise dispose of all or any portion of their interest in the Property (other than to another Owner) until the acquirer of such interest has entered into an agreement with, and in form and substance satisfactory to, the Holder, acting reasonably, in which the acquirer agrees to be bound, as the Owners, with respect to the acquired interest, by all of the terms and conditions of this Agreement.

(b) If any Owner decide to permanently surrender, abandon, relinquish or let lapse or expire (collectively, "**Surrender**"), any portion of the Property or rights related thereto (a "**Mining Right**"), they shall give notice of such decision to the Holder not less than 60 days prior to the effective date of such Surrender and shall use reasonable commercial efforts to provide the Holder with the opportunity to acquire such Mining Right for no consideration, on an "as is where is" basis. The Holder agrees that any future Royalty will not be payable by the Owners in respect of a Mining Right after it is transferred to the Holder or its nominee under this Section 4.6(b) or such interest is obtained in any other manner by the Holder or its Affiliates, nor will any Royalty be payable in respect of any Mining Right that is Surrendered and was not renewed, substituted or re-acquired by the Owners or any of their Affiliates (in the circumstances set out in Section 4.6(c)) after notice of such surrender or expiry has been given to the Holder pursuant to this Section 4.6(b).

(c) The parties agree that if a Mining Right is Surrendered by an Owner and is then subsequently reacquired by an Owner or any of its Affiliates, the Royalty will be payable on any Product obtained from that Mining Right after the date of such reacquisition by an Owner or its Affiliates, all on the same terms as in this Agreement, but once a Mining Right is acquired,

whether by way of transfer pursuant to Section 4.6(b) or otherwise, by the Holder, its nominee, or any of its Affiliates after the date of this Agreement, no further Royalty will be payable in connection with that Mining Right, regardless of whether the Owners or any of their Affiliates reacquires such Mining Right.

4.7 Royalty Purchase Option

(a) Notwithstanding anything else contained herein, the Owners or any of them shall have the right (the "**Purchase Option**") to repurchase 50% of the Royalty (representing 1% of the Net Smelter Return) from the Holder. The price payable in connection with the exercise of the Purchase Option shall be seven million five hundred thousand dollars (\$7,500,00.00) (the "**Purchase Price**").

(b) The Owners or any of them may exercise the Purchase Option at any time by providing an irrevocable written notice (the "**Election Notice**") to the Holder setting out a closing time for the sale which shall be 9:00 a.m. (Toronto time) on a Business Day that is no less than 30 and no more than 60 days from the date of delivery of the Election Notice to the Holder (the "**Closing Date**").

(c) On the Closing Date: (i) the Owner or Owners so purchasing shall pay to the Holder by certified cheque, bank draft or wire transfer made payable to, or to the order of, the Holder, the Purchase Price; and (ii) this Agreement shall be amended by the parties to reflect the reduction in the Royalty.

(d) Any amounts owing under the purchased Royalty up to, but excluding the Closing Date, shall be paid by the Owners to the Holder at the time of the next scheduled Royalty Payment.

(e) The Holder shall execute all such further instruments and documents and do all such further actions as may be necessary to amend any registration of this Agreement in the Public Registry of Mining of Mexico to reflect the reduction of the Royalty Rate upon the exercise of the Purchase Option in accordance with this Section 4.7.

ARTICLE 5 **GENERAL MATTERS**

5.1 No Implied Covenants

The parties agree that no implied covenants or duties relating to exploration, development, mining or the payment of production royalties or any other matters provided for herein shall affect any of their respective rights or obligations hereunder, and that the only covenants or duties which affect such rights and obligations shall be those expressly set out and provided for in this Agreement.

5.2 Further Assurances

Each party shall execute all such further instruments and documents and do all such further actions as may be necessary to effectuate the documents and transactions contemplated in this Agreement, in each case at the cost and expense of the party requesting such further document or action, unless expressly indicated otherwise.

5.3 Notices

(a) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by facsimile or similar means of recorded electronic communication (including email), or sent by courier, addressed as follows:

(i) if to the Holder:

GoGold Resources Inc.
Suite 1301, 2000 Barrington Street
Halifax, NS B3J 3K1

Attention: Chief Financial Officer

E-mail: [Redacted - contact information.]

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

Fasken Martineau DuMoulin LLP
333 Bay Street, Suite 2400
Toronto, ON M5H 2T6

Attention: John Turner

E-mail: [Redacted - contact information.]

(ii) if to the Representative on behalf of the Owners:

Coanzamex Santa Gertrudis, S.A. de C.V.
c/o Agnico Eagle Mines Limited

145 King Street East
Suite 400
Toronto, ON M5C 2Y7

Attention: Gregory Laing

Fax No.: [Redacted - contact information.]

E-mail: [Redacted - contact information.]

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

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Attention: Patricia L. Olasker
Fax No.: [Redacted - contact information.]
E-mail: [Redacted - contact information.]

(iii) if to the Purchaser:

Agnico Eagle Mines Limited

145 King Street East
Suite 400
Toronto, ON M5C 2Y7

Attention: Gregory Laing
Fax No.: [Redacted - contact information.]
E-mail: [Redacted - contact information.]

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

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Attention: Patricia L. Olasker
Fax No.: [Redacted - contact information.]
E-mail: [Redacted - contact information.]

(b) Any such notice or other communication shall be deemed to have been given and received if delivered personally, on the date of such delivery, or if transmitted by facsimile or email, on the day that it was transmitted (or, if such day is not a Business Day or such notice or other communication was delivered or transmitted after 5:00 p.m. (recipient's time), on the next following Business Day).

(c) The delivery of any such notice or other communication to the Representative shall be deemed to be the delivery of such notice or other communication to each of the Owners.

(d) Any party may at any time change its address for service from time to time by giving notice to the other parties in accordance with this Section 5.3.

5.4 Governing Law

(a) This Agreement shall, in all respects, be subject to and be interpreted, construed and enforced in accordance with and under the laws of the Province of Ontario and federal laws of Canada applicable therein except that, to the extent the law of the jurisdiction in which the Property is located (or which is otherwise applicable to the Property) necessarily governs with respect to procedural and substantive matters relating to the creation and enforcement of the interests created herein, the law of such other jurisdiction shall apply.

(b) Subject to Section 3.5, each party irrevocably attorns and submits to the exclusive jurisdiction of the courts of the Province of Ontario in respect of all matters arising out of or in connection with this Agreement, except that, to the extent the law of the jurisdiction in which the Property is located (or which is otherwise applicable to the Property) necessarily governs with respect to procedural and substantive matters relating to the creation and enforcement of the interests created herein, each party attorns and submits to the exclusive jurisdiction of the courts of such other jurisdiction.

5.5 Amendments and Waivers

No amendment or waiver of any provision of this Agreement shall be binding on a Party unless consented to in writing by such party. No failure or delay to exercise, or other relaxation or indulgence granted in relation to, any power, right or remedy under this Agreement shall operate as a waiver of it or impair or prejudice it nor shall any single or partial exercise or waiver of any power, right or remedy preclude its further exercise or the exercise of any other power, right or remedy.

5.6 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions hereof shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

5.7 Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding on and enforceable by the parties hereto and, where the context so permits, their respective successors and permitted assigns.

5.8 Time of Essence

Time shall be of the essence of this Agreement.

5.9 **Counterparts**

This Agreement may be executed in counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF this Agreement has been executed by the parties as of the date first written above.

GOGOLD RESOURCES INC.

by _____
Name:
Title:

AGNICO EAGLE MINES LIMITED

by _____
Name:
Title:

**COANZAMEX SANTA GERTRUDIS,
S.A. DE C.V.**

by _____
Name:
Title:

**FIRST SILVER RESERVE, S.A. DE
C.V.**

by _____
Name:
Title:

**RECURSOS ESCONDIDOS, S.A. DE
C.V.**

by _____
Name:
Title:

SCHEDULE A
MINING CONCESSIONS

[Redacted - confidential commercial information.]

SCHEDULE B

FORM OF SANTA GERTRUDIS ASSIGNMENT AGREEMENT

See following page.

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT dated as of ●, 2018 (the “**Agreement**”)

B E T W E E N:

METALLA ROYALTY & STREAMING LTD., a company continued and existing under the laws of the Province of British Columbia (“**Buyer**”)

– and –

GOGOLD RESOURCES INC., a corporation incorporated and existing under the laws of Canada (“**Seller**”)

WHEREAS Seller and Buyer are parties to that Royalty Purchase and Sale Agreement dated as of ●, 2018 (as the same may be amended from time to time in accordance with its terms, the “**Purchase Agreement**”);

AND WHEREAS pursuant to the Purchase Agreement and subject to the terms and conditions set forth therein, Seller has agreed to assign to Buyer all right, title and interest of Seller in and to the Net Smelter Return Royalty Agreement dated October 27, 2017 among Seller, Agnico Eagle Mines Limited, Coanzamex Santa Gertrudis, S.A. de C.V., First Silver Reserve, S.A. de C.V. and Recursos Escondidos, S.A. de C.V. (the “**Transferred Agreement**”), and Buyer has agreed to take assignment from Seller of all right, title and interest of Seller in and to the Transferred Agreement;

AND WHEREAS pursuant to the Purchase Agreement, Buyer has agreed to assume, and satisfy, perform, pay and discharge, as and when due and payable, and otherwise be solely responsible for, all liabilities and obligations of Seller under the Transferred Agreement;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller and Buyer hereby agree as follows:

ARTICLE 1 ASSIGNMENT AND ASSUMPTION

1.1 Assignment of Transferred Agreement

On the terms and subject to the conditions of the Purchase Agreement, as of the date hereof (the “**Effective Date**”), Seller hereby absolutely and irrevocably assigns and transfers to Buyer, and Buyer hereby takes assignment from Seller of, all right, title, benefit and interest of Seller in, to and under the Transferred Agreement, and all rights, benefits and advantages whatsoever to be derived therefrom, free and clear of all encumbrances.

1.2 Assumption of Assumed Liabilities

On the terms and subject to the conditions of the Purchase Agreement, Buyer hereby assumes and agrees to pay, fully perform and discharge, when due and payable, any and all monies payable by Seller, and all of the liabilities and obligations of Seller under the Transferred Agreement in respect of the period from and after the Effective Date. Buyer shall release, discharge, indemnify and save harmless Seller against and from all claims, losses, action, damage, liabilities and obligations arising on or after the Effective Date in respect of the Transferred Agreement.

ARTICLE 2 GENERAL

2.1 Purchase Agreement

This Agreement is being executed and delivered pursuant and subject to the Purchase Agreement. Nothing in this Agreement shall, or shall be deemed to, defeat, limit, alter or impair, enhance or enlarge any right, obligation, claim or remedy created by the Purchase Agreement. In the event of any conflict between the provisions of this Agreement and the provisions of the Purchase Agreement, the provisions of the Purchase Agreement shall prevail.

2.2 Successors and Assigns

This Agreement shall be binding upon and enure to the benefit of the parties hereto and, where the context so permits, their respective successors and permitted assigns.

2.3 Further Assurances

Each party hereto agrees to execute and deliver all such additional assignments, assumptions, releases, other documents and instruments, and do such further acts and things as may be reasonably required to effectuate completely this Agreement and the Purchase Agreement.

2.4 Entire Agreement

This Agreement and the Purchase Agreement constitute the entire agreement between the parties with respect to the assignment and assumption of the Transferred Agreement contemplated in the Purchase Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties with respect to the subject matter of this Agreement. There are no representations, warranties, covenants, conditions or other agreements, legal or conventional, express or implied, collateral, statutory or otherwise, between the parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement or the Purchase Agreement.

2.5 Severability

If any provision of this Agreement is determined to be unenforceable or invalid for any reason whatsoever, such unenforceability or invalidity shall not affect the enforceability or validity of the remaining provisions of this Agreement and such unenforceable or invalid provision shall be severable from the remainder of this Agreement.

2.6 Applicable Law

This Agreement and any disputes between the parties under or related to this Agreement or the facts and circumstances leading to its execution, whether in contract, tort or otherwise, shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, without giving effect to those principles of conflicts of laws that might otherwise require application of the laws of any other jurisdiction.

2.7 Counterparts

This Agreement may be executed by facsimile, portable document format (PDF) or other electronic means and/or in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same Agreement.

[Signatures follow on next page]

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Assumption Agreement to be executed and delivered as of the date first written above.

METALLY ROYALTY & STREAMING LTD.

By: _____
Name:
Title:

GOGOLD RESOURCES INC.

By: _____
Name:
Title: