SUBSCRIPTION, STANDBY COMMITMENT AND FACILITY EXTENSION AGREEMENT

HARTE GOLD CORP.

- and -

ANR INVESTMENTS B.V.

June 6, 2019

SUBSCRIPTION, STANDBY COMMITMENT AND FACILITY EXTENSION AGREEMENT

THIS AGREEMENT made the 6th day of June, 2019,

BETWEEN:

ANR INVESTMENTS B.V., a company existing under the laws of the Netherlands,

(hereinafter referred to as the "**Investor**"),

- and -

HARTE GOLD CORP., a corporation existing under the laws of the Province of Ontario,

(hereinafter referred to as the "**Company**").

WHEREAS the Company has agreed to issue to the Investor, and the Investor has agreed to purchase from the Company, (the "**Subscription**") 10,000,000 Series A special shares (the "**Subscription Shares**") in the capital of the Company at a price of $1.00 per Series A special share (the "**Share Purchase Price**"), in reliance upon the representations, warranties and covenants of the Company and on the terms and conditions contained herein;

AND WHEREAS the Investor has agreed to provide to the Company a standby commitment of up to $7,500,000 in exchange for the New Royalty (as defined herein) in reliance upon the representations, warranties and covenants of the Company and on the terms and conditions contained herein;

AND WHEREAS the Investor has agreed to extend the maturity date of the Appian Facility (as defined herein) in reliance upon the representations, warranties and covenants of the Company and on the terms and conditions contained herein;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants and agreements of the Parties hereinafter 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 the purposes of this Agreement (including the recitals and the Schedules hereto), unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"**2010 Halverson Royalty**" means the 3% net smelter return royalty granted by the Company pursuant to the option agreement dated June 28, 2010 between the Company, [names redacted] in respect of the option granted to the Company to acquire claim numbers 4228496, 4228497 and 4228499, Odlum Township, Sault Ste. Marie mining district;

"**2017 Halverson Royalty**" means the 3% net smelter return royalty granted by the Company pursuant to the property option agreement made effective as of August 14, 2017 between the Company and [names redacted] in respect of the option granted to the Company to acquire claim number 4281896, Odlum Township, Sault Ste. Marie mining district;

"**Act**" means the *Business Corporations Act* (Ontario);

"**Affiliate**" shall have the meaning ascribed to such term in the *Securities Act* (Ontario), as in effect on the date of this Agreement and, in the case of the Investor, also includes Appian Natural Resources Fund GP LP and Appian Capital Advisory LLP and their respective Affiliates and any investment fund advised or managed by any of them;

"**Anti-Corruption Laws**" shall have the meaning set out in Section 3.1(ddd);

"**Anti-Money Laundering Laws**" shall have the meaning set out in Section 3.1(bbb);

"**Appian Facility**" means the Bridge Loan Agreement made as of May 3, 2018 between the Company and the Investor, as amended October 31, 2018 and December 31, 2018, as it may be further amended pursuant to the Facility Extension;

"**Appian Offtake Agreement**" means the offtake agreement dated as of January 9, 2018 between the Company and the Investor, as amended by the Appian Facility on May 3, 2018;

"**associate**" means an associate for the purposes of Securities Laws;

"**Authorization**" means, with respect to any Person, any authorization, Order, Permit, approval, non-objection, confirmation of compliance of procedure, grant, Licence, consent, right, franchise, privilege, certificate, judgment, writ, injunction, award, determination, direction, decree, or by-law, rule or regulation of any Governmental Entity, whether or not having the force of law, having jurisdiction over such Person;

"**BNP Facility**" means the $72,500,000 senior debt financing facility to be made available to the Company by BNP Paribas, consisting of a $52,500,000 6-year term loan and a $20,000,000 3-year revolving credit facility, for the primary purpose of repaying the Sprott Facility and the Appian Facility;

"**Board**" means the board of directors of the Company;

"**Business Day**" means any day, other than a Saturday, Sunday or statutory holiday, on which banks in Toronto, Ontario, London, England or Jersey, Channel Islands are open for commercial banking business during normal banking hours;

"**Capital Lease**" means a capital lease or a lease that should be treated as a capital lease under IFRS;

"**Change of Control**" means the acquisition by any Person, or group of Persons acting "jointly or in concert" (where such phrase has the meaning ascribed thereto in applicable Securities Laws), of (i) voting Control or direction of an aggregate of 50% or more of the outstanding Common Shares, or (ii) more than 50% of the consolidated assets of the Company;

"**Claim**" means (i) any suit, action, proceeding, dispute, investigation, claim, arbitration, Order, summons, citation, directive, ticket, charge, demand or prosecution, whether legal or administrative; or (ii) any appeal or application for review; at Law or in equity or by any Governmental Entity;

"**Closing**" means the closing of the purchase and sale of the Subscription Shares in accordance with the provisions of this Agreement;

"**Closing Date**" means the third (3rd) Business Day following the satisfaction of waiver of the conditions set forth in this Agreement;

"**Closing Time**" means 8:00 a.m. (Toronto time) on the Closing Date;

"**Common Shares**" means common shares in the capital of the Company and any other securities which carry voting rights or which carry a residual right to participate in the earnings of the Company and in its assets upon liquidation or winding-up;

"**Company Annual Financial Statements**" means the audited consolidated financial statements of the Company as at, and for the years ended December 31, 2018 and December 31, 2017 including the notes thereto;

"**Company Financial Statements**" means the Company Annual Financial Statements and the Company Interim Financial Statements;

"**Company Interim Financial Statements**" means the unaudited condensed interim financial statements of the Company as at, and for the three months ended March 31, 2019 including the notes thereto;

"**Company Mineral Rights**" shall have the meaning set out in Section 3.1(ff)(i);

"**Company Real Property Interests**" shall have the meaning set out in Section 3.1(ff)(i);

"**Company Technical Report**" means the technical report entitled "Technical Report and Feasibility Study on the Sugar Zone Gold Operation Sault Ste. Marie Mining Division, Ontario UTM Zone 16U NAD83 646,140 m E,5,406,900 m N for Harte Gold Corp." prepared by P&E Mining Consultants Inc. and having an effective date of February 14, 2019, as filed May 2, 2019 with the Securities Regulators under NI 43-101;

"**Contingent Obligation**" means, with respect to any Person, any obligation, whether secured or unsecured, of such Person guaranteeing or indemnifying, or in effect guaranteeing or indemnifying, any indebtedness, leases, dividends, letters of credit or other monetary obligations (the "**primary obligations**") of any other Person (the "**primary obligor**") in any manner, whether directly or indirectly, including any obligation of such Person as an account party in respect of a letter of credit or letter of guarantee issued to assure payment by the primary obligor of any such primary obligation and any obligations of such Person, whether or not contingent, (i) to purchase any such primary obligation or any Property constituting direct or indirect security therefor, (ii) to advance or supply funds for the purchase or payment of any such primary obligation or to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase Property, securities or services primarily for the purpose of assuring the obligee under any such primary obligation of the ability of the primary obligor to make payment of such primary obligation, or (iv) otherwise to assure or hold harmless the obligee under such primary obligation against loss in respect of such primary obligation; provided, however, that the term Contingent Obligation does not include endorsements of instruments for deposit or collection in the ordinary course of business;

"**Contract**" means any contract, agreement, license, claim, franchise, lease, arrangement, commitment, understanding, joint venture, partnership or other right or obligation (written or oral) to which the Company is a party or by which it is bound or to which any of its properties or assets is subject;

"**Control**" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise;

"**Convertible Securities**" means any securities (including debt securities) convertible into, exchangeable for, or otherwise carrying the right of the holder to purchase or otherwise acquire Common Shares or any other securities which carry voting rights or which carry a residual right to participate in the earnings of the Company and in its assets upon liquidation or winding-up;

"**Corona/Harte JV Royalty**" means the 3.5% net smelter return royalty granted by the Company pursuant to the joint venture agreement dated July 10, 1998 between Corona Gold Corporation, the Company, [names redacted];

"**Debt**" means, with respect to any Person, all obligations that, in accordance with IFRS, would then be classified as a liability of such Person, and, without duplication, includes, with respect to such Person:

(i) an obligation in respect of borrowed money or for the deferred purchase price of Property or services or an obligation that is evidenced by a note, bond, debenture or any other similar instrument;

(ii) a transfer with recourse or with an obligation to repurchase, to the extent of the liability of such Person with respect thereto;

(iii) an obligation under a Capital Lease;

(iv) an obligation under a residual value guarantee made with respect to an operating lease in which such Person is the lessee;

(v) a reimbursement obligation or other obligation in connection with a bankers' acceptance or any similar instrument, or letter of credit or letter of guarantee issued by or for the account of such Person; or

(vi) a Contingent Obligation to the extent that the primary obligation so guaranteed would be classified as "Debt" (within the meaning of this definition) of such Person,

provided, however, that there will not be included for the purpose of this definition any obligation that is on account of (A) reserves for deferred income taxes or general contingencies, or (B) trade accounts payable, Existing Royalty Obligations, the New Royalty, impact benefit agreement payments and accrued liabilities (including contract loans and income taxes payable) incurred in the ordinary course of business (which, for the avoidance of doubt, shall, insofar as complying with the foregoing, exclude such liabilities (for the purpose of "**Debt**") as arising as then defined under those circumstances itemized in paragraphs (i), (ii), (iii), (iv), (viii), (ix), (x), (xiv), (xv), (xvii) and (xviii) of the definition of Permitted Encumbrances so long as such items (insofar as applicable) do not, at such time, constitute indebtedness (in any form whether secured or unsecured) and which are, in any event, contingent liabilities, not outstanding and not in default, and which are not then, or otherwise expected to be, due or overdue prior to the expected maturity date of this Agreement);

"**Disclosure Letter**" means the letter delivered by the Company to the Investor upon the execution of this Agreement in connection with the representations and warranties of the Company in Section 3.1 of this Agreement;

"**Disclosure Record**" means the Company's annual reports, financial statements, annual information forms, information circulars, material change reports, technical reports, press releases and all documents filed with the Securities Regulators on the System for Electronic Document Analysis and Retrieval (SEDAR);

"**Distribution**" means (i) any payment, declaration of dividend or other distribution, whether in cash or Property, to any holder of shares of any class of the Company, or (ii) any repurchase, redemption, retraction or other retirement or purchase for cancellation of shares of the Company, or of any options, warrants or other rights to acquire any of such shares, other than, in each case, to the Investor;

"**Encumbrance**" means any Claim, encumbrance, Lien, charge, hypothec, pledge, mortgage, title retention agreement, security interest of any nature, adverse Claim, exception, reservation, easement, right of occupation, option, right of pre-emption, privilege or any matter capable of registration against title or any Contract to create any of the foregoing;

"**Environment**" means air (including the air within buildings and the air within other natural or man-made structures whether above or below ground), water (including drains or sewers and coastal waters), land (including land under water), organisms (including man) and any other meaning given to environment under any applicable Law;

"**Environmental Law**" means any and all applicable Law that relate or in any way pertain to the Environment, or the protection thereof, including applicable Law that regulates and controls the generation, presence, use, management, transport, storage, treatment, disposal or release of Hazardous Substances, or pollution, contamination, reclamation and remediation of the Environment or environmental assessments, or the taxation or other fiscal control of Hazardous Substances;

"**Existing Royalty Obligations**" means, collectively, (i) the Corona/Harte JV Royalty; (ii) the 2010 Halverson Royalty; and (iii) the 2017 Halverson Royalty;

"**Existing Warrants**" means (i) the warrants of the Company held by the Investor expiring on May 11, 2023 to acquire 4,000,000 Common Shares at a price of Cdn$0.51 per Common Share and (ii) the warrants of the Company expiring on May 11, 2023 to acquire 2,000,000 Common Shares at a price of Cdn$0.50 per Common Share;

"**Facility Extension**" means the extension of the Final Maturity Date of the Appian Facility on the terms and conditions set forth in the form of amending agreement to the Appian Facility attached as Schedule "G" hereto;

"**Final Maturity Date"** has the meaning set out in the Appian Facility;

"**Finance Committee**" shall have the meaning set out in Section 4.4(k);

"**Financing Proposal**" means, other than the transactions contemplated by this Agreement and the BNP Facility, any proposal or offer to or from any Person or group of Persons acting "jointly or in concert" (where such phrase has the meaning ascribed thereto in applicable Securities Laws), whether or not in writing or subject to a due diligence or other condition, relating to any issuance of Common Shares (other than pursuant to the exercise of any Convertible Securities of the Company outstanding on the date hereof) or Convertible Securities (other than stock options to directors, officers and employees of the Company or stock options to Maximos Metals Corp.) or Debt for borrowed money by the Company;

"**Governmental Entity**" means any domestic or foreign federal, provincial, regional, state, municipal or other government, governmental department, agency, authority or body (whether administrative, legislative, executive or otherwise), court, tribunal, commission or commissioner, bureau, minister or ministry, board or agency, or other regulatory authority, including any securities regulatory authorities and the TSX;

"**Hazardous Substance**" means any waste or other substance that is prohibited, listed, defined, designated or classified as hazardous, radioactive, corrosive, explosive, infectious, carcinogenic, or toxic or a pollutant or a contaminant under or pursuant to, or that could result in liability under, any applicable Environmental Laws including petroleum and all derivatives thereof or synthetic substitutes therefor, hydrogen sulphide, arsenic, cadmium, lead, mercury, polychlorinated biphenyls or polychlorinated biphenyls-containing equipment and material, mould, asbestos, asbestos-containing material, urea-formaldehyde, urea formaldehyde-containing material and any other material or substance that may impair the Environment;

"**Heads of Agreement**" means the Heads of Agreement between the Company and Appian Capital Advisory LLP made as of May 6, 2019;

"**Hedge Arrangement**" means, with respect to any Person, any arrangement or transaction between such Person and any other Person other than the Company that is a rate swap transaction, basis swap, forward rate transaction, commodity swap, interest rate option, forward foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of such transactions or arrangements) designed to protect or mitigate against risks in interest, currency exchange or commodity price fluctuations;

"**IFRS**" means international financial reporting standards from time to time approved by the International Accounting Standards Board, or any successor body;

"**Information Circular**" means the notice of the Shareholder Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto and information incorporated by reference therein, to be sent to the Shareholders in connection with the Shareholder Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the provisions of this Agreement;

"**Investor Nominee**" shall have the meaning set out in Section 4.4(a);

"**Laws**" means any domestic or foreign federal, provincial, state, regional, local, municipal or other law, statute, constitution, principle of common law, resolution, ordinance, proclamation, directive, code, edict, Order, rule, regulation, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Entity;

"**Licence**" means any licence, Permit, certificate, consent, Order, grant, approval, agreement, classification, restriction, registration or other Authorization of, from or required by any Governmental Entity;

"**Lien**" means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachments, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or Encumbrance of any kind, in each case, whether contingent or absolute;

"**Locked-Up Shareholders**" means the applicable Shareholders identified in Schedule "A" hereto;

"**Material Adverse Effect**" means any fact, change, event, violation, circumstance or effect which is or is reasonably likely to have a material adverse effect on the Company's business, affairs, liabilities (absolute, accrued, contingent or otherwise), capital, operations, financial condition, properties, assets or prospects, in all cases, whether or not arising in the ordinary course of business and considered on a consolidated basis, except any such fact, change, event, violation, circumstance or effect resulting from or arising in connection with:

(i) any change affecting the gold mining industry as a whole;

(ii) any change in general economic, business, regulatory, political or market conditions;

(iii) any change in IFRS or Laws;

(iv) any change in the price of gold;

(v) any changes in currency or exchange rates;

(vi) any action taken (or omitted to be taken) by the Company which is required to be taken (or omitted to be taken) pursuant to this Agreement;

(vii) any change in the market price or trading volume of any securities of the Company (it being understood that the causes underlying such change in market price may be taken into account in determining whether a Material Adverse Effect has occurred); or

(viii) the failure of the Company to meet any internal or published projections, forecasts, guidance or estimates of revenues, earnings or cash flow for any period ending on or after the date of this Agreement (it being understood that the causes underlying such failure may be taken into account in determining whether a Material Adverse Effect has occurred),

provided, however, that with respect to clauses (i) through to and including (v), such matter does not have a materially disproportionate effect on the Company, relative to other comparable companies and entities operating in the industry in which the Company operates;

"**material change**" means a material change for the purposes of Securities Laws;

"**Material Contracts**" means: (i) the Original Subscription Agreement; (ii) the subscription agreement dated as of December 29, 2017 between the Company and Orion Mine Finance Fund II LP; (iii) the side agreement dated as of December 29, 2017 between the Investor and the Company; (iv) the Appian Offtake Agreement; (v) the Orion Offtake Agreement, (vi) the Appian Facility, (vii) the Sprott Facility; (viii) the impact benefits agreement dated April 28, 2018 between the Company and Pic Mobert First Nation and Band Council; (ix) the Hydro One connection contract dated October 5, 2017; (x) the construction agreement dated May 1, 2018 between the Company and Redpath Canada Limited; (xi) the longhole drilling and blasting contract dated July 4, 2018 between the Company and Foraco Canada Ltd.; (xii) the gold concentrate purchase contract dated October 15, 2018 between the Company and Glencore Canada Corporation; and (xiii) all other Contracts to which the Company is a party or by which it is bound or may hereafter become a party or be bound, the breach or default of which would result in a Material Adverse Effect, and "**Material Contract**" means any one thereof;

"**material fact**" means a material fact for the purposes of Securities Laws;

"**Material Licences**" means all Licences issued by any Governmental Entity, or any applicable stock exchange or securities commission, to the Company, and which are at any time on or after the date of this Agreement:

(i) necessary or material to the Sugar Zone Property or the business of the Company or to the listing of its securities, the breach or default of which would result in a Material Adverse Effect, including for certainty the Company Mineral Rights; or

(ii) designated by the Investor, in its sole discretion but acting reasonably, as a Material Licence, provided that the Investor has notified the Company of such designation;

"**New Royalty**" means the 1% or 1.5% net smelter return royalty on the Sugar Zone Property which may be granted by the Company to the Investor or its nominee pursuant to the Standby Commitment on the terms set forth in the form of the royalty agreement attached as Schedule "F" hereto;

"**New Warrants**" means the 5-year warrants to acquire 5,000,000 Common Shares at a price of Cdn$0.27 per Common Share to be granted by the Company to the Investor or its nominee on the terms set forth in the form of the warrant certificate attached as Schedule "E" hereto;

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*;

"**NI 45-106**" means National Instrument 45-106 – *Prospectus Exemptions*;

"**Order**" means any judgment, decision, decree, injunction, ruling, writ, assessment or order of any Governmental Entity that is binding on any Person or its property under applicable Law;

"**ordinary course of business**" means the ordinary course of the Company's business consistent with past practices and with good mining and business practice;

"**Organizational Documents**" means, with respect to any Person, such Person's articles, memorandum or other charter documents, partnership agreement, joint venture agreement, declaration of trust, trust agreement, by-laws, unanimous shareholder agreement, or any and all other similar agreements, documents and instruments pursuant to which such Person is constituted, organized or governed;

"**Original Subscription Agreement**" means the subscription agreement dated as of November 22, 2016 between Investor and the Company, as amended;

"**Orion Offtake Agreement**" means the offtake agreement dated December 29, 2017 between the Company and OMF FUND II SO Ltd., as amended by the side letter dated June 1, 2018;

"**OSC Rule 72-503**" means OSC Rule 72-503 – *Distributions Outside of Canada*;

"**Outside Date**" means June 14, 2019 or such other date as the Company and the Investor may agree upon in writing;

"**Permit**" means any license, permit, certificate, consent, Order, grant, approval, agreement, classification, restriction, registration or other Authorization of, from or required by any Governmental Entity;

"**Permitted Debt**" means:

(i) Debt under the BNP Facility, the Appian Facility and the Sprott Facility;

(ii) any closure or performance bond issued to a Governmental Entity or other Person to secure environmental reclamation, remediation, closure or other similar obligations in respect of the Sugar Zone Property;

(iii) any unsecured Debt arising under Hedge Arrangements entered into in connection with protection against fluctuation in commodity prices and currency fluctuations (and not for investment or speculative purposes);

(iv) Debt under Capital Leases and Purchase Money Obligations in respect of mobile equipment and trailers on terms acceptable to the Investor as confirmed by the Investor in writing, provided that the aggregate Debt of the Company in respect of such Capital Leases and Purchase Money Obligations does not exceed $10,000,000 at any time; and

(v) any other Debt in respect of Permitted Encumbrances, subject to any limits or restrictions set out under the definitions of Permitted Encumbrances and Permitted Debt;

"**Permitted Encumbrances**" means, with respect to any Person, the following:

(i) Liens for Taxes, rates, assessments or other governmental charges or levies not yet due or delinquent, or for which instalments have been paid based on reasonable estimates pending final assessments, or if due, the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person;

(ii) Liens for Priority Payables not yet due or delinquent;

(iii) undetermined or inchoate Liens, rights of distress and charges incidental to current operations that (A) have not at such time been filed or registered in accordance with applicable Law, (B) of which written notice has not been duly given to the Company in accordance with applicable Law, (C) relate to obligations not due or payable, or (D) if due, the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person;

(iv) restrictions, reservations, limitations, qualifications, exceptions, exclusions, provisos and conditions expressed in any original patent, grant or lease from the Crown or other Governmental Entity, other grants of real or immovable property, or interests therein, including (without limitation) in respect of any unpatented mining claims (including those under the *Mining Act* (Ontario) and those either generally or specifically set out in respect of the unpatented mining claims comprising the Property in the Mining Claims Database maintained by the Ontario Ministry of Northern Development and Mines), any Crown leases comprising the Property and any aboriginal or indigenous land claims and any statutory and common law limitations, exceptions, reservations and qualifications;

(v) Permits, Licences, easements, rights-of-way, servitudes, covenants, rights of access, user licenses, and rights in land (including Licences, easements, rights-of-way and rights for railways, sidewalks, public ways, sewers, drains, gas, steam and water mains or electric light and power, pipelines or telephone and telegraph or cable conduits, poles, wires and cables), zoning and building restrictions that, in the aggregate, do not materially impair the usefulness, in the operation of the business of the Company, of the affected land;

(vi) title defects, irregularities or other matters relating to title that are of a minor nature and that in the aggregate do not materially impair the use of the affected property for the purpose for which it is used by that Person;

(vii) Encumbrances on concentrates or minerals or the proceeds of sale of such concentrates or minerals arising or granted pursuant to a processing or refining arrangement entered into in the ordinary course and upon usual market terms, securing only the payment of the Company's portion of the fees, costs and expenses attributable to the processing of such concentrates or minerals under any such processing or refining arrangement, but only insofar as such Encumbrances relate to obligations which are at such time not past due or the validity of which are being contested in good faith by appropriate proceedings and as to which reserves are being maintained in accordance with generally accepted accounting principles;

(viii) the right reserved to or vested in any Governmental Entity by the terms of any lease, Licence, franchise, grant or Permit acquired by that Person or by any statutory provision to terminate any such lease, Licence, franchise, grant or Permit, or to require annual or other payments as a condition to the continuance thereof;

(ix) the Encumbrance resulting from the deposit of cash or securities (A) in connection with bids, leases, contracts, tenders or expropriation proceedings, (B) to secure workmen's compensation, letters of credit, unemployment insurance, surety or appeal bonds, performance bonds, costs of litigation when required by law and public and statutory obligations or (C) in connection with the discharge of Encumbrances or claims incidental to construction and mechanics', warehouseman's, carriers' and other similar liens or construction and mechanics' and other similar Encumbrances arising in the ordinary course of business;

(x) Liens and claims incidental to construction or current operations (including, without limitation, mechanics', warehousemen's, carriers', materialmen's, repairmen's and other similar Liens), and public, statutory and other like obligations incurred in the ordinary course of business;

(xi) security given by a Person to a public utility or any Governmental Entity when required by such utility or authority in connection with the operations of that Person in the ordinary course of its business;

(xii) the Encumbrance created by a judgement of or award rendered by a court of competent jurisdiction, or any claim filed, as long as the same is being contested diligently and in good faith by appropriate proceedings by that Person;

(xiii) encroachments by the Property or structures thereon over neighbouring lands (including public streets) and encroachments by neighbouring lands or structures thereon over the Property, so long as, in each case (i) such encroachments are minor and, if required to be removed, would not materially impair the use of the affected land for the purpose for which it is used, or (ii) there are written agreements permitting such encroachments;

(xiv) all municipal and provincial by-laws and regulations and other municipal and provincial land use instruments, including, without limitation, official plans, zoning and building by-laws, restrictive covenants and other land use limitations, public or private, and other restrictions as to the use of the Property and other municipal and Governmental Entity land use instruments or restrictions affecting the use of land or the nature of any structures which may be erected thereon;

(xv) the provisions of Section 78(3) of the *Land Titles Act* (Ontario) and the limitations and qualifications contained in Section 44(1) of the *Land Titles Act* (Ontario);

(xvi) any rights of expropriation, access or use, or any other right conferred or reserved by or in any statute of Canada or the Province of Ontario or in any other Governmental Entity;

(xvii) any unregistered claim or interest through or by possession or continuous use that a third party may have acquired in respect of the Property or any portion thereof and which either (i) existed at the time of acquisition by the Company of the Property or any portion thereof or (ii) has, following the date of acquisition of such Property by the Company, arisen in the ordinary course of owning such Property or through the passage of time, provided that same do not, either individually or in the aggregate, materially adversely affect the current use or operation of the Property by the Company;

(xviii) Encumbrances on assets acquired by the Company which existed prior to, and not in connection with or in contemplation of, any acquisition;

(xix) the White River Mortgages;

(xx) any Existing Royalty Obligations;

(xxi) the existing Encumbrances created in respect of the Appian Facility and the Sprott Facility;

(xxii) the Encumbrances to be created in respect of the BNP Facility;

(xxiii) Encumbrances securing Debt arising under clause (iv) of the definition of Permitted Debt (but only to the extent such Encumbrances are limited to the relevant equipment and/or asset);

(xxiv) first Encumbrance cash collateral to secure Debt under clause (ii) of the definition of "Permitted Debt";

(xxv) such other Encumbrances as are agreed to in writing by the Investor from time to time**;** and

(xxvi) any renewal, extension or replacement of any of the foregoing (other than paragraphs (xx), (xxi), (xxii) and (xxv));

"**Person**" means and includes any individual, company, limited partnership, general partnership, joint stock company, limited liability company, joint venture, association, company, trust, bank, trust company, pension fund, business trust or other organization, whether or not a legal entity and any Governmental Entity;

"**Priority Payables**" means, at any time of determination, the aggregate of all amounts due and payable at such time by the Company that are secured by a Lien (whether choate or inchoate) or a statutory right in favour of a Governmental Entity, which encumbers any Property and which ranks, or is capable of ranking prior to or *pari passu* with any Encumbrance on such Property granted in favour of the Investor, including without limitation, amounts due, deducted or withheld, as applicable, and not yet paid, contributed or remitted, as applicable, by the Company in respect of vacation pay, termination and severance pay, employee source deductions, goods and services, sales or harmonized sales Taxes, realty, municipal or similar Taxes, corporate Taxes, or pursuant to any legislation relating to workers' compensation, employment insurance, the *Income Tax Act* (Canada), a Canadian pension plan, the *Wage Earner Protection Program Act* (Canada) or any similar legislation;

"**Property**" means, with respect to any Person, all or any portion of that Person's undertaking and property, both real and personal;

"**Purchase Money Obligations**" means, with respect to a Person, Debt of the Person issued, incurred or assumed to finance all or part of the cost of acquiring any mobile equipment and trailers;

"**Purchase Price**" shall have the meaning set out in Section 2.1;

"**Release**" means any release or discharge of any Hazardous Substance including any discharge, spray, injection, inoculation, abandonment, deposit, spillage, leakage, seepage, pouring, emission, emptying, throwing, dumping, placing, exhausting, escape, leach, migration, dispersal, dispensing or disposal;

"**Reporting Jurisdictions**" means the provinces of British Columbia, Alberta and Ontario;

"**Representatives**" means, in reference to a Party, its and its Affiliates' officers, directors, employees, agents, legal counsel, accountants, consultants, advisors and other representatives;

"**Requirements of Environmental Law**" means all requirements of the common law or of statutes, regulations, by-laws, ordinances, treaties, judgments and decrees, and (to the extent that they have the force of law) rules, policies, guidelines, Orders, approvals, notices, Permits, directives, and the like, of any federal, territorial, provincial, state, regional, municipal or local judicial, regulatory or administrative agency, board or Governmental Entity in Canada and any other jurisdiction in which the Company has operations or assets relating to environmental or occupational health and safety matters (as they relate to exposure to a Hazardous Substance) and the assets and undertaking of the Company and the intended uses thereof in connection with such matters, including all such requirements relating to: (a) the protection, preservation or remediation of the natural Environment (the air, land, surface water or groundwater); (b) solid, gaseous or liquid waste generation, handling, treatment, storage, disposal or transportation; (c) consumer, occupational or public safety and health (as they relate to exposure to a Hazardous Substance); and (d) Hazardous Substances or conditions (matters that are prohibited, controlled or otherwise regulated, such as contaminants, pollutants, toxic substances, dangerous goods, wastes, hazardous wastes, liquid industrial wastes, hazardous materials, petroleum and other materials such as urea formaldehyde and polyurethane foam insulation, asbestos or asbestos-containing materials, polychlorinated biphenyls (PCBs) or PCB contaminated fluids or equipment, lead based paint, explosives, radioactive substances, petroleum and associated products, above ground and underground storage tanks or surface impoundments);

“**Requirements of Law**” means, with respect to any Person, the Organizational Documents of such Person and any applicable Law or any determination of a Governmental Entity, in each case applicable to or binding upon such Person or any of its business or Property or to which such Person or any of its business or Property is subject;

“**Securities Laws**” means all securities Laws in the Reporting Jurisdictions, together with published fee schedules, prescribed forms, policy statements, notices, Orders, blanket rulings and other regulatory instruments of the Securities Regulators and all rules and policies of the TSX;

“**Securities Regulators**” means, collectively, the securities regulators or other securities regulatory authorities in the Reporting Jurisdictions;

“**Share Purchase Price**” shall have the meaning set out in the recitals hereto;

“**Shareholder Approval**” shall have the meaning set out in Section 2.9(a);

“**Shareholder Meeting**” shall have the meaning set out in Section 2.9(a), including any adjournment thereof permitted hereunder;

“**Shareholder Meeting Period**” has the meaning set out in Section 4.3(a);

“**Shareholders**” means holders of Common Shares at the relevant time;

“**Special Share Terms**” means the rights, privileges and restrictions attaching to the Subscription Shares pursuant to the special share terms attached as Schedule “B” hereto;

“**Sprott Facility**” means the Credit Agreement made as of May 31, 2018 between the Company and Sprott Private Resource Lending (Collector), LP, as amended by the First Modification Agreement dated October 31, 2018, the Second Modification Agreement dated November 30, 2018 and the Third Modification Agreement dated February 11, 2019;

“**Standby Commitment**” shall have the meaning set out in Section 6.1;

“**Stoughton-Abitibi Property**” means the mining claims, mining leases and real property set forth in Schedule “C” hereto and any patented or unpatented mining or mineral claims, prospecting licenses, mining leases, mineral concessions, exploration Permits, and other rights which are issued as a succession, renewal, extension, replacement, modification, or substitution therefor;

“**Subscription**” shall have the meaning set out in the recitals hereto;

“**Subscription Shares**” shall have the meaning set out in the recitals hereto;

“**Subsidiary**” means, at any time, with respect to any Person, any other Person, if at such time the first mentioned Person (i) owns, directly or indirectly, securities or other ownership interests in such other Person, having ordinary voting power to elect a majority of the board of directors or Persons performing similar functions for such other Person, and (ii) directly or indirectly, through the operation of any agreement or otherwise, the ability to elect or cause the election of a majority of the board of directors or other persons performing similar functions for such other Person or otherwise exercise control over the management and policies of such other Person, and in either case will include any other Person in like relationship to a Subsidiary of such first mentioned Person;

“**Sugar Zone Property**” means the mining claims, mining leases and real property set forth in Schedule “D” hereto and any patented or unpatented mining or mineral claims, prospecting licenses, mining leases, mineral concessions, exploration Permits, and other rights which are issued as a succession, renewal, extension, replacement, modification, or substitution therefor;

“**Survival Period**” means:

(a) in relation to the representations and warranties of the Company and the Investor set forth in this Agreement, other than those specifically identified in sub-paragraph (b) of this definition, a period commencing at Closing and ending on the date which is the later of (i) two (2) years from the date of this Agreement and (ii) six (6) months following conversion or retraction of the Subscription Shares; and

(b) in relation to the representations and warranties of the Company set forth in Sections 3.1(t) to 3.1(cc) inclusive, a period commencing at Closing and ending on the date that is three (3) months following the expiration of any limitation or similar period during which an assessment, reassessment, action or other proceeding that assesses liability for Taxes can be issued;

*“***Taxes***”* means all taxes, however denominated, including any interest, penalties or other additions that may become payable in respect thereof, imposed by any Governmental Entity, which taxes shall include, all income or profits taxes, capital taxes, withholding taxes, payroll and employee withholding taxes, employment insurance, social insurance taxes, good and services taxes, harmonized sales taxes, sales taxes (including provincial sales taxes), franchise taxes, gross receipts taxes, business license taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental

taxes, transfer taxes, (including land transfer taxes) workers' compensation and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, and "**Tax**" shall have a corresponding meaning;

"**Tax Act**" means the *Income Tax Act* (Canada), as amended from time to time;

"**Tax Return**" means any return, report, declaration, designation, election, notice, filing, form, claim for refund, information return or other document (including any related or supporting schedule, statement or information) filed or required to be filed in connection with the determination, assessment or collection of any Tax or the administration of any Laws, regulations or administrative requirements relating to any Tax;

"**Third Party**" shall have the meaning set out in Section 5.1;

"**TSX**" means the Toronto Stock Exchange or any successor thereto or other exchange on which the Common Shares are listed for trading;

"**U.S. Person**" means a "U.S. Person" as defined in Rule 902(k) of the U.S. Securities Act;

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended;

"**Voting Support Agreements**" means the voting support agreements (including all amendments thereto between the Investor, Locked-Up Shareholders) setting forth the terms and conditions upon which the Locked-Up Shareholders have agreed, among other things, to vote their Common Shares in favour of the resolution for the Shareholder Approval;

"**VWAP**" means the volume weighted average trading price of the Common Shares, calculated by dividing the total value by the total volume of Common Shares traded for the relevant period; and

"**White River Mortgages**" means, collectively, the mortgages/charges of land registered in respect of the lands/premises referenced below:

(a) 107 Tukanee Lake Road, White River, ON, P0M 3G0;

(b) 113 Tukanee Lake Road, White River, ON, P0M 3G0; and

(c) White River Mobile Home Park, White River, ON, P0M 3G0.

1.2 Rules of Construction

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 use of any gender shall include all genders;

(e) the word "**including**" is deemed to mean "including without limitation";

(f) the terms "**Party**" and the "**Parties**" refer to a party or the parties to this Agreement;

(g) any reference to this Agreement means this Agreement as amended, modified, replaced or supplemented from time to time;

(h) 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;

(i) unless otherwise indicated, all dollar amounts refer to U.S. dollars;

(j) any time period 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

(k) whenever any action is required to be taken or period of time is to expire on a day other than a Business Day, such action shall be taken or period shall expire on the next following Business Day.

1.3 <u>Time of Essence</u>

Time shall be of the essence of this Agreement.

1.4 <u>Governing Law and Submission to Jurisdiction</u>

(a) This Agreement shall be interpreted and enforced in accordance with, and the respective rights and obligations of the Parties shall be governed by, the Laws of the Province of Ontario and the federal Laws of Canada applicable in that province.

(b) Each of the Parties irrevocably and unconditionally (i) submits to the non-exclusive jurisdiction of the courts of the Province of Ontario over any action or proceeding arising out of or relating to this Agreement, (ii) waives any objection that it might otherwise be entitled to assert to the jurisdiction of such courts and (iii) agrees not to assert that such courts are not a convenient forum for the determination of any such action or proceeding.

1.5 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 of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby are 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.

1.6 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the Subscription Shares, the New Warrants, the Standby Commitment and the Facility Extension and supersedes all prior agreements, negotiations and discussions, whether written or oral, including the Heads of Agreement. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the Subscription Shares, the New Warrants, the Standby Commitment or the Facility Extension except as provided in this Agreement.

1.7 Accounting Principles

Any reference in this Agreement to generally accepted accounting principles refers to accounting principles which have been established as generally accepted in Canada for financial reporting, applied on a consistent basis, including those principles recommended from time to time in the Handbook of the Canadian Institute of Chartered Accountants or any successor body thereto, and which are applicable in the circumstances as of the date in question. Accounting principles are applied on a "consistent basis" when the accounting principles applied in a current period are comparable in all material respects to those accounting principles applied in a preceding period.

1.8 Knowledge

For the purposes of this Agreement, with respect to any matter, the phrase "knowledge of the Company" shall mean (i) the actual knowledge of Stephen G. Roman, Timothy Campbell, Rein Lehari, George A. Flach, Shawn Howarth and Roger Emdin, and (ii) all information which ought to have been known by Stephen G. Roman, Timothy Campbell, Rein Lehari, George A. Flach, Shawn Howarth and Roger Emdin after making reasonable inquiry of the directors, officers and employees of and consultants to the Company concerning the matters in question, whether or not any such inquiry was actually made.

1.9 Schedules

Attached to and forming part of this Agreement are the following Schedules:

Schedule "A" – Locked-up Shareholders

Schedule "B" – Special Share Terms

Schedule “C” – Stoughton-Abitibi Property

Schedule “D” – Sugar Zone Property

Schedule “E” – New Warrants

Schedule “F” – New Royalty

Schedule “G” – Facility Extension

ARTICLE 2
SUBSCRIPTION SHARES, NEW WARRANTS AND RELATED MATTERS

2.1 Investment in the Company

On the terms and subject to the conditions of this Agreement, the Investor agrees to subscribe for and purchase from the Company at the Closing Time, and the Company agrees to issue from treasury and sell to the Investor at the Closing Time, the Subscription Shares at a purchase price per Subscription Share of $1.00 for a total purchase price equal to $10,000,000 (the “**Purchase Price**”).

2.2 Satisfaction of the Purchase Price

The Investor shall pay, or cause to be paid, an amount equal to the Purchase Price by wire transfer to an account designated by the Company in writing, or in any other manner agreed upon by the Parties, upon Closing at the Closing Time.

2.3 Issue and Delivery of Subscription Shares

The Purchase Price shall be paid against issue and delivery by the Company of the Subscription Shares registered in the name of the Investor (or as the Investor may direct in writing not less than two (2) Business Days prior to the Closing Date), duly executed and issued by the Company and registered in the share register of the Company in the name of the Investor (or as the Investor may direct in writing not less than two (2) Business Days prior to the Closing Date). Subject to compliance with all applicable Securities Laws, the Investor may direct the Subscription Shares to be registered in the name of one or more its Affiliates.

2.4 New Warrants

On the terms and subject to the conditions of this Agreement and in consideration of the Standby Commitment and the Facility Extension, the Company agrees to issue and deliver to the Investor at the Closing Time the New Warrants registered in the name of the Investor (or as the Investor may direct in writing not less than two (2) Business Days prior to the Closing Date), duly executed and issued by the Company. Subject to compliance with all applicable Securities Laws, the Investor may direct the New Warrants to be registered in the name of one or more its Affiliates.

2.5 Use of Proceeds

The Company shall solely use the net proceeds (i) of the Purchase Price and (ii) from the exercise of the Standby Commitment, for the purpose of permitting, exploration drilling, underground development, surface infrastructure construction and commissioning, general administration and operating expenses in relation of the development and operation of the Sugar Zone Property and to fund corporate overhead expenditures.

2.6 Creation of Subscription Shares and New Warrants

The Company shall fulfill all necessary requirements and take all necessary action required to be taken by the Company to permit the creation, issuance and delivery by the Company of the Subscription Shares and the New Warrants to the Investor pursuant to an exemption from the prospectus requirements of applicable Securities Laws.

2.7 TSX Approval

The Company covenants and agrees to promptly apply for, and use its commercially reasonable best efforts to expeditiously obtain, approval of the TSX for (i) the issuance of the Subscription Shares and the New Warrants, (ii) the issuance and listing of the Common Shares issuable upon the conversion of the Subscription Shares and the exercise of the New Warrants, and (iii) the amendment of the Existing Warrants as set forth in Section 2.8, and forthwith after Closing, shall take all required action to satisfy the conditions set out in the conditional approval of the TSX, and in any event within the time period prescribed by the TSX, as applicable, to satisfy such conditions.

2.8 Amendment of the Existing Warrants

At Closing, the Parties agree that the Existing Warrants will be amended to provide that, subject to obtaining the Shareholder Approval, the Existing Warrants may be exercised by the Investor or any of its Affiliates notwithstanding that the exercise of any Existing Warrants may result in the Investor and its Affiliates beneficially owning 20% or more of the outstanding Common Shares.

2.9 Shareholder Approval

(a) The Company shall hold an annual and special meeting of Shareholders (the "**Shareholder Meeting**") on or before July 4, 2019 for, and use its best efforts to obtain the approval of its Shareholders for (i) the Investor and its Affiliates to acquire 20% or more of outstanding Common Shares pursuant to (A) the conversion of the Subscription Shares into Common Shares in accordance with the Special Share Terms or (B) the exercise of the Existing Warrants or the New Warrants and (ii) all other matters for which the TSX may require shareholder approval as a condition of its approval pursuant to Section 2.7 (the "**Shareholder Approval**"). The Shareholder Approval shall be contained in one resolution to be voted on by the Shareholders.

(b) Subject to the terms of this Agreement, the Company shall, as soon as reasonably practicable after the date of this Agreement, (i) convene and conduct the Shareholder Meeting in accordance with applicable Laws, the Company's constating documents and the conditional approval of the TSX, (ii) prepare the Information Circular together with any other documents required by applicable Laws, (iii) file the Information Circular in all jurisdictions where the same is required to be filed, and (iv) mail the Information Circular as required in accordance with all applicable Laws.

(c) The Company shall give the Investor a reasonable opportunity (not to be less than two Business Days) to review and comment on the Information Circular before it is filed or mailed to the Shareholders. Any references to the Investor or its Affiliates in the Information Circular must be approved by the Investor in advance of filing or mailing the Information Circular, such approval not to be unreasonably withheld or delayed. Except as required by applicable Laws or an adjournment required as a result of a vote of the Shareholders, the Company shall not postpone or cancel, adjourn or otherwise change the date of the Shareholder Meeting without the prior written consent of the Investor, such consent not to be unreasonably withheld or delayed.

(d) The Company shall ensure that the Information Circular:

(i) complies in all material respects with all applicable Laws and, without limiting the generality of the foregoing, shall ensure that the Information Circular does not contain any misrepresentation or any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made;

(ii) includes a unanimous recommendation of the Board (with any nominee(s) of the Investor abstaining) recommending the Shareholders vote in favour of the resolution for the Shareholder Approval; and

(iii) includes a statement that the Locked-Up Shareholders have entered into the Voting Support Agreements and have agreed to vote all their Common Shares in favour of the resolution for the Shareholder Approval.

(e) The Company shall promptly notify the Investor if, at any time before the Closing Date, it becomes aware of any material error or material omission in the information included in the Information Circular that requires an amendment or supplement to the Information Circular, and the Company and Investor shall co-operate in the preparation of any amendment or supplement to the Information Circular, as required or appropriate, and the Company shall promptly mail or otherwise publicly disseminate any amendment or supplement to the Information Circular to the Shareholders and file the same in all jurisdictions where it is required to be filed.

(f) In connection with the Shareholder Meeting, the Company will:

(i) actively solicit proxies in favour of the resolution for the Shareholder Approval and take all other actions that the Company determines to be reasonably necessary or desirable to obtain the Shareholder Approval, provided that nothing contained in this Agreement shall obligate the Company to hire a proxy solicitation firm; and

(ii) keep the Investor reasonably informed with respect to: (i) the deposit of proxies received in favour or against the resolution for the Shareholder Approval; (ii) any dissident solicitation or any written threats or communications from any party seeking to solicit proxies against or to amend the resolution for the Shareholder Approval; and (iii) any action, suit or proceeding received by the Company seeking to enjoin, adjourn, postpone or alter the conduct of the Shareholder Meeting.

(g) During the period commencing on the date of this Agreement until the date of the Shareholder Meeting, the Company shall not withdraw, modify, qualify or change in a manner adverse to the Investor, or publicly propose to or publicly state that it intends or is considering withdrawing, modifying, qualifying or changing in a manner adverse to the Investor the approval or recommendation of the Board (or any committee thereof) of the resolution for the Shareholder Approval.

(h) Unless the Company obtains Shareholder Approval, neither the Investor nor any of its Affiliates may convert the Subscription Shares into Common Shares if and to the extent such conversion would result in the Investor and its Affiliates beneficially owning 20% or more of the outstanding Common Shares at the time of such conversion.

2.10 Post-Closing Filings

The Company shall, within 10 days of the Closing, file with the Securities Regulators any report required to be filed by the Company under NI 45-106 or OSC Rule 72-503 in connection with this Agreement and the transactions contemplated by this Agreement in the required form, and will provide the Investor's legal counsel with copies of such reports.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company

The Company hereby represents, warrants and covenants to the Investor as follows and acknowledges that the Investor is relying on such representations, warranties and covenants in completing its subscription for the Subscription Shares and its provision of the Standby Commitment and the Facility Extension:

(a) the Company is a valid and existing Company duly incorporated, continued or amalgamated and in good standing under the Act;

(b) the Company is duly registered and licensed to carry on business, in the jurisdictions in which it carries on business or owns property where so required by the Laws of that jurisdiction and is not otherwise precluded from carrying on business or owning property in such jurisdictions by any other commitment, agreement or document;

(c) the Company has full corporate capacity, power and authority to carry on its business as now conducted, to own, lease and operate its properties and assets and to enter into this Agreement and to perform its obligations set out therein including, without limitation, to create, issue and sell the Subscription Shares and the New Warrants and to create and grant the New Royalty as contemplated hereunder;

(d) each of this Agreement, the Facility Extension, the New Warrants and the New Royalty has been duly authorized by all requisite action on its part, and upon execution and delivery of the same, shall be a valid and binding obligation of the Company enforceable against it in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction;

(e) the execution and delivery by the Company of this Agreement and the performance by it of its covenants thereunder including, without limitation, to create, issue and sell the Subscription Shares, the New Warrants and the New Royalty as contemplated hereunder, do not and will not:

(i) violate, conflict with or result in a breach of:

(A) any provision of the constating documents of the Company;

(B) any Contract; or

(C) any Law to which the Company is subject or otherwise bound;

(ii) give rise to any right of termination, or the acceleration of any indebtedness, under any Contract;

(iii) result in the creation or imposition of any Encumbrances upon any of the material properties or assets of the Company; or

(iv) other than as disclosed in the Disclosure Letter, give rise to any rights of first refusal or rights of first offer, or trigger any change in control provisions or similar provisions or any restriction or limitation under any Contract;

(f) the Company has no Subsidiaries;

(g) the minute books of the Company made available to the Investor in connection with its due diligence investigation of the Company are all of the minute books of the Company, are true and correct in all material respects, contain copies of all material proceedings (or certified copies thereof) of the Shareholders and the directors of the Company to the date of review of such minute books and there have been no other meetings, resolutions or proceedings of the Shareholders, directors or any committees of the directors of the Company to the date hereof not reflected in such minute books and other records, other than those which are not material to the Company;

(h) other than the approval of the TSX and the report required to be filed by the Company under NI 45-106 or OSC Rule 72-503, no authorization, consent or approval of, or filing with, any Governmental Entity or any other Person is necessary on the part of the Company in connection with the execution and delivery of this Agreement or the completion by it of the transactions contemplated hereby including, without limitation, the issuance and sale of the

Subscription Shares and the New Warrants and the sale of the New Royalty as contemplated hereunder;

(i) there is no act or proceeding against the Company in connection with the dissolution, liquidation, winding up, bankruptcy or reorganization of the Company or for the appointment of a trustee, receiver, manager or other administrator of the Company or any of its properties or assets, nor is any such act or proceeding, to the knowledge of the Company, threatened; and the Company has not sought protection under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation;

(j) as at the date hereof, the authorized capital of the Company consists of an unlimited number of Common Shares, of which 604,579,450 Common Shares are issued and outstanding as fully paid and non-assessable, an unlimited number of special shares, of which no special shares are issued and outstanding and 500,000 preference shares, of which no preference shares are issued and outstanding, and no Person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming such a right, agreement or option:

    (i) for the issue or allotment of any unissued shares in the capital of the Company or any other security convertible into or exchangeable for any such shares, with the exception of 16,118,319 outstanding options of the Company to purchase in total up to 16,118,319 Common Shares and 52,800,000 outstanding warrants of the Company to purchase up to 52,800,000 Common Shares; or

    (ii) to require the Company to purchase, redeem or otherwise acquire any of the issued and outstanding shares in its capital;

(k) the only issued and outstanding Convertible Securities of the Company are those options and warrants referred to in Section 3.1(j)(i);

(l) by the Closing Time, the Company will have reserved or set aside sufficient Common Shares in its treasury to allow for:

    (i) the conversion of the Subscription Shares into Common Shares and, upon conversion, all such Common Shares will be duly and validly issued as fully paid and non-assessable;

    (ii) the exercise of the New Warrants for Common Shares and, upon exercise, all such Common Shares will be duly and validly issued as fully paid and non-assessable;

(m) as of the respective dates of such information and statements and at the time such documents were filed on SEDAR, as applicable, the Disclosure Record and all financial, marketing, sales, operational and legal information and due diligence material provided to the Investor by the Company do not contain any misrepresentations (as such term is defined in the Securities Laws) and are complete and accurate in all material respects and not misleading in any material respect;

(n) the Company Financial Statements have been prepared in accordance with IFRS, present fairly, fully and correctly, in all material respects, the financial position and all material liabilities (accrued, absolute, contingent or otherwise) of the Company, as of the date thereof, and there have been no adverse material changes in the financial position of the Company since the date thereof and the business of the Company has been carried on in the usual and ordinary course consistent with past practice since the date thereof;

(o) the auditors of the Company who audited the Company Annual Financial Statements and who provided their audit report thereon are independent public accountants as required under Securities Laws and there has not been a reportable event (within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations*) with the auditors of the Company since November 22 2016;

(p) the Company has complied and will comply fully with the requirements of all corporate Laws, including the Act, all Securities Laws and all Orders from a Securities Regulator thereunder, including, without limitation, the Securities Laws in relation to the issue and trading of its securities and in all matters relating to the offering and issuance of the Subscription Shares and the New Warrants;

(q) the Company maintains a system of internal accounting controls sufficient to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS and includes those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets; (ii) are designed to provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS and that receipts and expenditures are being made only in accordance with authorizations of management and directors of the Company; and (iii) are designed to provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the assets that could have a material effect on the annual or interim financial statements;

(r) the Company has not entered into any joint venture agreement or partnership agreement;

(s) other than as disclosed in the Company Financial Statements, the Company has no material liabilities and is not subject to any material Encumbrances or any material Claim;

(t) other than as disclosed in the Company Financial Statements, all Taxes due and payable by the Company (whether or not shown on any Tax Return) have been fully and timely paid, and adequate provision has been made for any Taxes that are not yet due and payable, for all taxable periods, or portions thereof, ending on or before the date hereof;

(u) all Tax Returns required to be filed by the Company have been filed on a timely basis with each appropriate Governmental Entity and all such Tax Returns are true, complete and correct;

(v) other than as disclosed in the Company Financial Statements, no examination of or other proceeding with respect to any Tax Return of the Company is currently in progress and there are no issues or disputes outstanding with any Governmental Entity respecting any Taxes that have been paid, or may be payable, by the Company; and no Governmental Entity has given written notice to the Company of its intention to assert any deficiency or Claim for additional Taxes against the Company;

(w) there are no outstanding agreements extending or waiving the statutory period of limitations applicable to any Claim with respect to Taxes for, or the period for the collection or assessment or reassessment of, Taxes due from the Company for any taxable period and no request for any such waiver or extension is currently pending;

(x) other than as disclosed in the Company Financial Statements, the Company is not a party to any indemnification, allocation or sharing agreement with respect to Taxes that could give rise to a payment or indemnification obligation. The Company has no liability for Taxes of any Person under any Tax Law, as a transferee or successor, or otherwise;

(y) no Claim with respect to Taxes has been made by any Governmental Entity in a jurisdiction where the Company does not file Tax Returns that the Company is or may be subject to Tax by that jurisdiction;

(z) the Company has withheld or collected all amounts required to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Entity when required by Law to do so;

(aa) the Company is not a non-resident of Canada within the meaning of the Tax Act and has, at all relevant times, been and is a "taxable-Canadian corporation" within the meaning of the Tax Act;

(bb) the Company has not claimed any reserves in computing its income for purposes of the Tax Act;

(cc) to the knowledge of the Company, no circumstances exist or could reasonably be expected to arise as a result of matters existing before the date hereof that may result in the Company being subject to the application of section 160 of the Tax Act;

(dd) there are no current Contracts or other transactions (including relating to indebtedness by the Company) between the Company on the one hand, and any (i) officer or director of the Company, except as same relates to his or her service in such capacity, (ii) any holder of record or beneficial owner of five (5%) percent or more of the Common Shares, or (iii) any Affiliate or associate of any officer, director or beneficial owner, on the other hand;

(ee) the assets of the Company and its business and operations are insured against loss or damage with responsible insurers on a basis consistent with insurance obtained by reasonably prudent participants in comparable businesses, and such coverage is in full force and effect, and the Company has not failed to promptly give any notice or present any material Claim thereunder;

(ff) applying customary standards in the mining industry of the applicable jurisdiction:

(i) the Company does not have any title or right to any real property interests, mineral concessions, Claims, leases, licenses or Permits other than those included in the Sugar Zone Property and the Stoughton-Abitibi Property and the properties to which the White Lake Mortgages are attached;

(ii) the Company has good and sufficient title, free and clear of any title defect or Encumbrance, to all of its real property interests in the Sugar Zone Property, including fee simple estates, leases, surface rights, rights of way, easements and Licences from landowners or other authorities permitting the use of land in respect of the Sugar Zone Property (collectively, the "**Company Real Property Interests**"), and as are necessary to permit the operation of its business as currently being conducted; and all of its mineral concessions, Claims, leases, licenses, Permits, and other rights and interests necessary to explore for, develop, mine or produce minerals, on the Sugar Zone Property (collectively, the "**Company Mineral Rights**") and as are necessary to permit the operation of its business as currently being conducted;

(iii) each of the title documents and other agreements or instruments relating to the Company Real Property Interests and Company Mineral Rights is valid, subsisting and enforceable, and the Company is not in material default of any of the provisions of such documents, agreements and instruments nor has any such material default been alleged;

(iv) the Company is the legal and/or beneficial owner of, and has the exclusive right to deal with, all rights, title and interest in and to the Company Mineral Rights, all Company Mineral Rights have been validly located and recorded in accordance with all applicable Laws and are valid and subsisting;

(v) the Company Real Property Interests and the Company Mineral Rights are in good standing under applicable Laws, all assessment work required to be performed and filed under the Company Real Property Interests and the Company Minerals Rights has been performed and filed, all related Taxes and other payments and related filings have been made;

(vi) there is no Claim, or to the knowledge of the Company, no threat of a Claim against or challenge to the title of the Company, or its ownership of, the Company Real Property Interests or Company Mineral Rights;

(vii) other than under the Corona/Harte JV Royalty, (A) no other Person has any interest in the Company Real Property Interests or the Company Mineral Rights or the production from any of the underlying properties or mineral deposits or any right to acquire any such interest, and (B) there are no back-in rights, earn-in rights, rights of first refusal, royalty rights, streaming rights or other rights of any nature that would affect the interest of the Company in the Company Real Property Interests or the Company Mineral Rights; and

(viii) the Company has not received any notice, whether written or oral, from any Governmental Entity of any revocation or intention to revoke or materially amend any of their respective interests in any of the Company Real Property Interests or the Company Mineral Rights and there is no reasonable basis to expect that such a revocation or amendment of any of their respective interests in any of the Company Real Property Interests or the Company Mineral Rights may occur;

(gg) the Company Technical Report complied, in all material respects, with the requirements of NI 43-101 at the time of filing thereof, and the Company believes that the Company Technical Report reasonably presented the quantity of mineral resources and mineral reserves attributable to the Sugar Zone Property as at the date stated therein based upon information available at the time the Company Technical Report was prepared;

(hh) the Company made available to the authors of the Company Technical Report, prior to the issuance of such report, for the purpose of preparing such report, all information requested by the authors, which information did not contain any material misrepresentation at the time such information was so provided, and there have been no material changes to such information since the date of delivery or preparation thereof;

(ii) the Company is in compliance, in all material respects, with the provisions of NI 43-101 and has filed all technical reports required thereby and there has been no disclosure of a change that would require the filing of a new technical report under NI 43-101;

(jj) the Company and its business and operations:

(i) are in material compliance with all Environmental Laws and all terms and conditions of all Environment Permits;

(ii) has not received any Order, request or notice from any Person alleging a material violation of any Environmental Law;

(iii) (A) is not a party to any Claim, nor, to the knowledge of the Company, is any Claim threatened against it or its property or assets, which in either case, asserts or alleges (1) that it violated any Environmental Laws, (2) that it is required to clean up, remove or take remedial or other response action due to the release of any Hazardous Substances, or (3) that it is required to pay all or a portion of the cost of any past, present or future cleanup, removal or remedial or other response action which arises out of or is related to the release of any Hazardous Substances; and (B) is not subject to any judgment, decree, Order or citation related to or arising out of applicable Environmental Law and, to the knowledge of the Company, has not been named or listed as a potentially responsible party by any Governmental Entity in a matter arising under any Environmental Laws; and

(iv) does not know of any facts, circumstances or conditions, including any release of Hazardous Substance, that would reasonably be expected to result in any material Environment liabilities;

(kk) other than as disclosed in the Disclosure Letter, the Company:

(i) is not a party to any arrangement or understanding with local or First Nations or Metis or tribal or native authorities or communities in relation to the Environment or development of communities in the vicinity of the Sugar Zone Property; or

(ii) as of the date hereof, has not received notice of any claim with respect to the Sugar Zone Property for which the Company has been served, either from First Nations or Metis or tribal or native authorities or any other Governmental Entity, indicating that any portion of the Sugar Zone Property infringes upon or has an adverse effect on aboriginal rights or interests of such First Nations or Metis or tribal or native authorities;

(ll) neither the Company nor any of its properties or assets is subject to any outstanding Order that involves or may involve, or restricts or may restrict, the right or ability of the Company to conduct its business in all material respects as it has been carried on prior to the date hereof, or that has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect or would reasonably be expected to prevent or significantly impede or materially delay the completion of the transactions contemplated hereby;

(mm) there are no outstanding or, to the knowledge of the Company, threatened labour tribunal proceedings of any kind, including unfair labour practice proceedings or any proceedings which could result in certification of a trade union as bargaining agent for any employees of the Company;

(nn) all current assessments under applicable workers compensation legislation have been paid or accrued by the Company and the Company is not subject to any special or penalty assessment under such legislation which has not been paid;

(oo) there are no collective agreements that exist, either directly or by operation of Law, between the Company and any trade union or association which may qualify as a trade union nor is the Company currently negotiating any such agreements; and there are no threatened or apparent union organizing activities involving employees of the Company;

(pp) the Company has all Permits necessary for the operation of the businesses carried on or proposed to be commenced by the Company except for: (i) seasonal Permits to be applied for by the Company from time to time and (ii) where the failure to have such Permits would not reasonably be expected to be material, and each Permit is valid, subsisting and in good standing and the Company is not in material default or breach of any Permit, and to the knowledge of the Company, no proceeding is pending or threatened to revoke or limit any Permit;

(qq) to the knowledge of the Company, none of the directors or officers of the Company is currently subject to regulatory, criminal or bankruptcy proceedings in Canada or elsewhere which, if determined adversely, would materially and adversely affect, impede or delay the consummation of the transactions contemplated by this Agreement;

(rr) all operations of the Company, have been conducted and are currently conducted in all material respects in accordance with all applicable Laws;

(ss) there is not presently any material change or material fact relating to the Company which has not been generally disclosed (within the meaning of applicable Securities Laws) to the public in the Disclosure Record;

(tt) there will not be until the Closing any material change or change in any material fact relating to the Company which has not been or will not be generally disclosed (within the meaning of applicable Securities Laws) to the public in the Disclosure Record at least two (2) Business Days prior to the Closing Date;

(uu) other than as disclosed in the Company Financial Statements, neither the Company nor, to the knowledge of the Company, any other Person, is in default in the observance or performance of any terms, covenant, obligation to be performed by the Company or such other Person under any Material Contract and all such Material Contracts are in good standing and no event has occurred which with notice or lapse of time or both would constitute such a default by the Company, or to the knowledge of the Company, any other party;

(vv) other than as disclosed in the Company Financial Statements, the Company is not a party to any existing or pending actions, suits or proceedings and to the knowledge of the Company no such actions, suits or proceedings are contemplated or have been threatened;

(ww) there are no judgments against the Company or by which it is bound which are unsatisfied, nor are there any consent decrees or injunctions to which the Company is subject;

(xx) the Company is a "reporting issuer" within the meaning of the Securities Laws and is not in default of any of the requirements of the Securities Laws;

(yy) no Order ceasing, halting or suspending trading in securities of the Company nor prohibiting the sale of such securities has been issued to and is outstanding against the Company or its directors, officers or promoters or, to the knowledge of the Company, against any other companies that have common directors, officers or promoters and no investigations or proceedings for such purposes are pending or threatened which, if determined adversely, would materially and adversely affect, impede or delay the consummation of the transactions contemplated in this Agreement;

(zz) the Common Shares are listed and posted for trading on the TSX under the trading symbol "HRT" and the Company has complied in all material respects with the rules and regulations thereof;

(aaa) the Company has and will have filed, in a timely manner, all documents that are required to be filed under applicable Securities Laws, including annual and interim financial information and annual reports, press releases disclosing material changes and material change reports;

(bbb) the operations of the Company are and have been conducted at all times in compliance with the anti-money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Entity to which they are subject (collectively, the "**Anti-Money Laundering Laws**") and no action, suit or proceeding by or before any Governmental Entity or any arbitrator involving the Company with respect to the Anti-Money Laundering Laws is, to the knowledge of the Company, pending or threatened;

(ccc) TSX Trust has been duly appointed as the registrar and transfer agent of the Company with respect to the Common Shares to be issued upon the conversion of the Subscription Shares; and

(ddd) the Company is now and at all times has been in compliance with all anti-bribery and anti-corruption Laws of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Entity to which the Company is subject (collectively, the "**Anti-Corruption Laws**"); the Company has not and will not authorize, offer or make payments directly or indirectly to any Person that would result in a violation of any Anti-Corruption Laws; and no part of the Purchase Price or the proceeds from the exercise of the New Warrants and the exercise of the Standby Commitment will be used for any purpose that could constitute a violation of any Anti-Corruption Laws.

3.2 <u>Representations and Warranties of the Investor</u>

The Investor hereby represents and warrants to the Company as follows and acknowledges that the Company is relying on such representations and warranties in completing its issuance of the Subscription Shares and the New Warrants:

(a) it is a company validly existing under the Laws of the Netherlands, with full power, authority and legal capacity to own or to hold the Subscription Shares and the New Warrants and to complete the transactions to be completed by it as contemplated in this Agreement;

(b) the Investor is purchasing the Subscription Shares and the New Warrants as principal and has not been created, and is not being used, solely to purchase or hold the Subscription Shares or New Warrants in reliance on the exemption in Section 2.10 of NI 45-106 or Section 2.3 of OSC Rule 72-503;

(c) each of this Agreement and the Facility Extension has been duly authorized by all requisite action on its part, and upon execution and delivery of the same, shall be enforceable against it in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency and other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction;

(d) the execution and delivery by the Investor of this Agreement and the performance by it of its covenants thereunder do not and will not violate, conflict with or result in a breach of any provision of its constating documents, any Law to which it is subject or otherwise bound or any agreement to which it is a party or by which it may be bound;

(e) the Investor acknowledges that there are risks associated with an investment in the Subscription Shares, and the Investor is knowledgeable, sophisticated and experienced in business and financial matters and is capable of evaluating the merits and risks of an investment in the Subscription Shares, fully understands the restrictions on resale of the Subscription Shares, and is able to bear the economic risk of an investment in the Subscription Shares;

(f) no consent, approval, Order or Authorization of any Governmental Entity or any other Person is required to be obtained by the Investor in connection with the consummation of the transactions contemplated by this Agreement except for such consents, approvals, Orders or Authorizations as to which the failure to obtain or make would not, individually or the in aggregate, prevent or materially delay the consummation of the transactions contemplated by this Agreement;

(g) the Investor is knowledgeable of, or has been independently advised as to, the applicable Laws of the Netherlands which would apply to the transactions contemplated by this Agreement, and the issuance of the Subscription Shares to the Investor contemplated hereunder complies with all such applicable Laws; and

(h) the Investor is not a U.S. Person.

3.3 <u>Survival of Representations and Warranties</u>

The representations and warranties of a Party herein shall survive the Closing until the expiration of the applicable Survival Period, unless *bona fide* notice of a Claim that a representation or warranty was incorrect shall have been made in writing before such date, in which case the representation or warranty to which such notice applies shall survive in respect of that Claim until the final determination or settlement of the Claim, notwithstanding any investigation made by or on behalf of the Party entitled to rely on such representation or warranty. Notwithstanding the foregoing, a Claim for any breach of any of the representations and warranties contained in this Agreement involving fraud or fraudulent misrepresentation may be made at any time following the date of this Agreement, subject only to applicable limitation periods imposed by applicable Law.

3.4 <u>Material Changes</u>

The Company agrees that if, between the date of this Agreement and the Closing Date, a material change (actual, anticipated, contemplated or threatened, financial or otherwise) occurs in respect of the Company, or a change in a material fact occurs of which the Company becomes aware, the Company will as soon as practicable notify the Investor in writing, setting forth the full particulars of such change.

3.5 Indemnification of the Investor

The Investor is relying on the representations, warranties, certifications and covenants contained herein to make the investments in the Subscription Shares and provide the Standby Commitment and the Facility Extension as contemplated under this Agreement and the Company agrees to indemnify the Investor and its Affiliates and their respective directors and officers, employees, agents and representatives against all losses, claims, costs, expenses, damages or liabilities (including legal fees on a full indemnity basis) which any of them may suffer or incur as a result of or arising from breach of any such representations, warranties, certifications and covenants.

ARTICLE 4
COVENANTS

4.1 Positive Covenants

From and including the date of this Agreement and for as long as the Subscription Shares remain outstanding, and except as otherwise permitted by the prior written consent of the Investor, acting reasonably, the Company will:

(a) fulfill in a timely manner all its covenants and agreements contained in this Agreement;

(b) ensure that the conditions for the benefit of the Investor contained in Section 7.2 over which the Company has reasonable control have been performed or complied with by the Closing Time;

(c) ensure that the issue and sale of the Subscription Shares and the New Warrants will fully comply, in all material respects, with the requirements of applicable Securities Laws and any other applicable Laws;

(d) will immediately send to the Investor and its legal counsel copies of all correspondence and filings to and correspondence from the Securities Regulators or the TSX relating to the transactions contemplated by this Agreement;

(e) engage in business of the same general type as now conducted by it; carry on and conduct its business and operations in a proper, efficient and businesslike manner, in accordance with good business practice; preserve, renew and keep in full force and effect its existence; and take all reasonable action to maintain all material rights, privileges and franchises necessary for the normal conduct of its business and to comply in all material respects with all Material Contracts, Material Licences and Requirements of Law, including Requirements of Environmental Law;

(f) comply and conduct its business at all times in compliance with all applicable Anti-Money Laundering Laws and Anti-Corruption Laws, and promptly notify the Investor in the event that any action, suit or proceeding by or before any Governmental Entity or any arbitrator involving the Company with respect to any Anti-Money Laundering Laws or Anti-Corruption Laws is taken or, to the Company's knowledge, threatened against the Company;

(g) remain a “reporting issuer” under the Laws of the Reporting Jurisdictions and shall not be in default of any requirements of the Securities Laws related thereto and the Company shall not be included on a list of defaulting reporting issuers maintained by any Securities Regulator. The Company shall comply with all of the reporting requirements and regulations of the TSX;

(h) provide the Investor with such other documents, opinions, consents, acknowledgments and agreements as are reasonably necessary to implement this Agreement from time to time;

(i) provide the Investor, as soon as reasonably practicable, with all information reasonably requested by the Investor from time to time concerning its financial condition and the Sugar Zone Property and during normal business hours, upon reasonable prior notice thereof, permit Representatives of the Investor to inspect any of the Sugar Zone Property and to examine and take extracts from its financial records, including records stored in computer data banks and computer software systems, and to discuss its financial condition with its senior officers and (in the presence of such of its Representatives as it may designate) its auditors, the reasonable expense of all of which will be paid by the Company; provided that such inspection, examination and discussions shall be at the sole risk of the Investor and shall not occur more frequently than once per calendar year;

(j) pay or discharge, or cause to be paid or discharged, before the same will become delinquent (a) all Taxes imposed upon it or upon its income or profits or in respect of its business or Property and file all tax returns in respect thereof, (b) all lawful claims for labour, materials and supplies, (c) all required payments under any of its Debt (other than any such Debt which the Company is, in good faith, challenging), and (d) all other obligations; provided, however that it will not be required to pay or discharge or to cause to be paid or discharged any such amount so long as the validity or amount thereof is being contested in good faith by appropriate proceedings and an appropriate financial reserve in accordance with IFRS has been established;

(k) maintain a system of accounting which is established and administered in accordance with IFRS, keep adequate records and books of account in which accurate and complete entries shall be made in accordance with IFRS reflecting all transactions required to be reflected by IFRS and keep accurate and complete records of any Property owned by it;

(l) maintain good and sufficient title, free and clear of any title defect or Encumbrance (other than Permitted Encumbrances) to all of the Company Real Property Interests to the extent necessary to permit the operation of the Sugar Zone Property; and maintain all Company Mineral Rights as are necessary to permit the operation of the Sugar Zone Property;

(m) use commercially reasonable efforts to preserve intact its present business organization, assets (including intellectual property) and goodwill, keep available the services of its officers and employees as a group and preserve the current material relationships with suppliers, distributors, employees, consultants, customers and others having business relationships with it;

(n) maintain insurance on its Property and assets with financially sound and reputable insurance companies or associations including property insurance and comprehensive general liability insurance in amounts and against risks that are determined to be appropriate by the Company acting prudently; furnish to the Investor, on written request, but in any event annually, satisfactory evidence of the insurance carried and notify the Investor of any claim the Company makes under the foregoing insurance policies that is in excess of $1,000,000;

(o) promptly notify the Investor of any Material Adverse Effect that would apply to it of which it becomes aware, using reasonable diligence;

(p) promptly notify the Investor on becoming aware of the occurrence of any litigation, dispute, arbitration or other proceeding the result of which if determined adversely would be a judgement or award against it (i) in excess of $500,000, or (ii) would result in a Material Adverse Effect, and from time to time provide the Investor as soon as reasonably practicable with all reasonable information requested by the Investor concerning the status of any such proceeding;

(q) comply in all material respects with all Environmental Laws and promptly remedy any compliance issues. If the Company: (a) receives notice, whether written or oral, that any material violation of any Environmental Law may have been caused or committed or is about to be committed by the Company; (b) receives notice, whether written or oral, that any administrative or judicial complaint or Order has been filed or is about to be filed against the Company alleging material violations of any Environmental Law or requiring the Company to take any action in connection with the Release of Hazardous Substances into the Environment that is material; or (c) receives any notice, whether written or oral, from a Governmental Entity or other Person alleging that the may be liable or responsible for material costs, expenses or damages associated with a response to or clean-up of a Release or the presence of a Hazardous Substance at, in, on, under or through or from facilities, or properties owned or occupied by it, or any damages caused thereby, the Company shall provide the Investor with a written summary of such notice (and a copy of any written notice) within ten (10) days of the Company's receipt thereof. The Company shall provide, as soon as reasonably practicable, evidence satisfactory to the Investor of disbursements made from time to time to effect such clean up or remedial action in a timely manner. The Company shall provide to the Investor such information and reports relating to environmental matters as the Investor may reasonably request from time to time;

(r) keep all Property that is necessary for its business in good working order and condition, normal wear and tear excepted, except to the extent that the failure to do so would not individually or in the aggregate be reasonably likely to cause a Material Adverse Effect;

(s) use reasonable commercial efforts to obtain the BNP Facility and to repay in full and terminate the Sprott Facility and the Appian Facility as soon as reasonably practicable; and

(t) repay in full the Sprott Facility and the Appian Facility with proceeds from the first drawn down of the BNP Facility.

4.2 Negative Covenants

From and including the date of this Agreement and for as long as the Subscription Shares remain outstanding, and except as otherwise permitted by the prior written consent of the Investor, acting reasonably, the Company will not:

(a) dispose of, in one transaction or a series of transactions, all or substantially all of its Property, whether now owned or hereafter acquired, except that it may, in the normal course of its business, for fair market value, and in accordance with customary trade terms, dispose of any tangible personal Property that would reasonably be considered to be the subject matter of sales by it in the normal course of its business for the purpose of carrying on the same, or that is worn out, obsolete or no longer useful for the purpose of carrying on its business;

(b) enter into any corporate reorganization or other transaction intended to effect or otherwise permit a change in its existing corporate or capital structure (which for certainty does not include an issuance of securities), liquidate, wind up or dissolve itself, or permit any liquidation, winding up or dissolution;

(c) create, incur, assume or amend the terms of any Debt, other than the Permitted Debt (excluding any amendments to the Sprott Facility);

(d) other than pursuant to an employee incentive program approved by the Board or pursuant to employee compensation arrangements entered into in the normal course of business, make loans or provide any financial assistance whatsoever to any Shareholder or forgive or otherwise fail to enforce the terms of any Debt owing by a Shareholder;

(e) issue any special shares of the Company, other than, for greater certainty, the Subscription Shares;

(f) make any Distribution;

(g) create, incur, assume or permit to exist any Encumbrance upon any of its Property, except pursuant to any Permitted Encumbrances;

(h) enter into or amend any arrangements which relate to the purchase, sale or deposit of any asset, or the purchase or provision of any service, between the Company and any Person who does not deal at arm’s length with the Company including without limitation: (i) any direct or indirect Shareholder of the Company (who is an insider as such term is defined in the *Securities Act* (Ontario); (ii) any director, officer or employee of the Company; or (iii) any Affiliate of or Person who does not deal at arm’s length with any of the foregoing), unless such arrangements are on market, arm’s length terms and have been approved by the Board;

(i) authorize, offer or make payments directly or indirectly to any Person that would result in a violation of any Anti-Corruption Laws;

(j) enter into any financing transaction (if backed by commodities or offtake), streaming transaction or royalty transaction;

(k) enter into or permit to be outstanding at any time any Hedge Arrangement entered into for investment or speculative purposes;

(l) amend any of its Organizational Documents in a manner that would be prejudicial to the interests of the Investor under this Agreement;

(m) amend, vary or alter in any way, consent to any assignment or transfer of, or waive or surrender any of its rights or entitlements under, the Sprott Facility, the subscription agreement dated as of December 29, 2017 between the Company and Orion Mine Finance Fund II LP or the Orion Offtake Agreement;

(n) change the auditor of the Company other than to a nationally recognized accounting firm or as otherwise agreed between the Company and the Investor;

(o) create any Subsidiary after the date of this Agreement without obtaining the prior consent of the Investor;

(p) take any action that could reasonably be expected to interfere with or be inconsistent with the completion of the transactions contemplated by this Agreement;

(q) undertake, agree to, support or otherwise recommend any Change of Control transaction unless the Sprott Facility and Appian Facility are repaid in full and subsequently terminated on or before the completion of such Change of Control transaction; or

(r) declare any Special Distribution (as defined in the Special Share Terms) without the prior written consent or preclearance of the TSX in respect of the aggregate fair market value, as determined by the Board acting reasonably and in good faith, of the shares, rights, options, warrants, evidence of indebtedness, cash, securities, property or assets to be issued or distributed in connection with the Special Distribution.

4.3 <u>Other Covenants</u>

(a) For the period from and including the date of this Agreement through, to and including the date of the Shareholder Meeting (the "**Shareholder Meeting Period**"), the Company shall, and shall cause its Representatives to:

(i) immediately cease and cause to be terminated any solicitation, encouragement, activity, discussion or negotiation with any party that may be ongoing with respect to a Financing Proposal, whether or not initiated by the Company or any of its Representatives; and

(ii) terminate or deny access to any third party that, to the knowledge of the Company, is considering or evaluating a Financing Proposal, to any data room, database, files, documents or records of any kind containing non-public information concerning the Company or its assets, liabilities, business or operations.

(b) During the Shareholder Meeting Period, unless permitted pursuant to Section 4.3(a), the Company shall not, and shall cause its Representatives not to, directly or indirectly:

(i) invite, make, solicit, assist, initiate, entertain, encourage, promote or facilitate (including by way of furnishing or providing access to non-public information concerning the Company, permitting any visit to any properties of the Company, or entering into any form of written or oral agreement, arrangement or understanding) any inquiries or the making of any proposals regarding a Financing Proposal or that may be reasonably be expected to lead to a Financing Proposal;

(ii) participate, directly or indirectly, in any discussions or negotiations regarding, or furnish to or provide any Person with access to any information or otherwise co-operate with, respond to, assist or participate in any Financing Proposal;

(iii) endorse, support, agree to, approve or recommend or publicly propose to agree to, approve or recommend any Financing Proposal, or take no position or remain neutral with respect to any Financing Proposal for a period of more than three (3) Business Days after the announcement of such Financing Proposal; or

(iv) accept, enter into, or propose to accept or enter into, any agreement, arrangement or understanding related to any Financing Proposal.

(c) If Shareholder Approval is not obtained by July 4, 2019, the Company and the Investor agree to enter into good faith negotiations to restructure the Subscription Shares.

4.4 Governance

From and after the Closing Date (or other date if specified below):

(a) The Company shall, from and after the conclusion of the Shareholder Meeting, cause the maximum number of directors on its Board to be reduced to seven (7) and effective as at the conclusion of the Shareholder Meeting, the Board shall set the number of directors at seven (7).

(b) The Investor shall be entitled to designate two (2) individuals (the "**Investor Nominees**"), who may be non-residents of Canada, to be nominated to serve as a member of the Board for a term expiring not earlier than the Company's next annual meeting of Shareholders at which directors of the Company are to be elected and provided that each Investor Nominee consents in writing to serve as a director and is eligible under the Act and applicable TSX rules and regulations to serve as a director. The Company shall take all steps as may be necessary to appoint such Investor Nominees to the Board effective as of the Closing Time, in between any meeting of Shareholders and forthwith following any meeting of

Shareholders at which such Investor Nominees was nominated to act as a director but was not so elected by the Shareholders, including pursuant to the power of the Board to appoint additional directors between Shareholder meetings or to fill a vacancy on the Board.

(c) At the Shareholder Meeting and at each meeting of Shareholders thereafter at which directors are to be elected, the Company shall cause the Investor Nominees to be included in the slate of nominees proposed by the Company to the Shareholders for election as directors.

(d) The Company shall use commercially reasonable efforts to cause the election of each Investor Nominee, it being acknowledged that the Company shall not be required to solicit proxies in favour of the election of an Investor Nominee, however, if the Company intends to solicit any such proxies in connection with a meeting of Shareholders it shall also solicit proxies in favour of each Investor Nominee.

(e) The Company shall notify the Investor in writing promptly upon determining the date of any meeting of the Shareholders at which directors of the Company are to be elected and the Investor shall advise the Company and the Board of the name of any Investor Nominee within five (5) Business Days after receiving such notice. An Investor Nominee must meet all statutory and stock exchange requirements for membership on the Board, and must promptly complete and return all filings required by the TSX.

(f) If the Investor does not advise the Company and the Board of the Investor Nominee(s) within the time set forth in Section 4.4(e), then the Investor will be deemed to have designated its incumbent nominee or nominees, as applicable, for nomination for election at the relevant meeting of the Shareholders.

(g) If an Investor Nominee ceases to hold office as a director of the Company for any reason, the Investor shall be entitled to nominate an individual to replace him or her, subject to compliance with the Act and applicable TSX rules and regulations, and the Company shall promptly take all steps as may be necessary to appoint such individual to the Board to replace an Investor Nominee who has ceased to hold office.

(h) The Investor will provide the Board with reasonable notice of the individual it proposes to nominate to the Board, and the Investor will give due consideration to the view of the independent members of the Board as to whether such individual is an appropriate addition to the Board given his or her skill set.

(i) For so long as an Investor Nominee serves as a member of the Board, such Investor Nominee shall be eligible to serve on any committee of the Board provided that such Investor Nominee satisfies the good faith eligibility criteria for such committee.

(j) Each Investor Nominee shall be entitled to the benefit of any directors' liability insurance or indemnity to which other directors of the Company are entitled and shall be entitled to participate in any equity compensation or other incentive plans made available to directors of the Company and shall be entitled to receive

Board (and, if applicable, committee) fees if such fees are generally paid, in each case comparable to other non-management directors on the Board.

(k) The Company shall form a permanent finance committee (the "**Finance Committee**") with the Investor. The mandate of the Finance Committee shall be to assist the Company and the Board in making financing and strategic decisions regarding the Sugar Zone Property and the Company more generally. Each of the Investor and Company will be entitled to appoint two (2) nominees to the Finance Committee for a total of four (4) members, with (i) the members of the Board (who are not Investor Nominees) selecting the Company's appointees from members of the Board and/or the Company's management and (ii) one of the Investor's appointees serving as chair of the Finance Committee. The Finance Committee shall hold meetings on a monthly basis (or such other frequency as specified by chair the Finance Committee from time to time). The Company shall provide the Finance Committee on a timely basis with all relevant information for the Finance Committee to effectively carry out its mandate and such other information as any member of the Finance Committee may reasonably request from time to time. For the avoidance of doubt, the Finance Committee shall not be a committee of the Board.

(l) The Board will review annually the composition of the committees of the Board and the frequency of meetings of such committees and make such changes as it determines are necessary or desirable to ensure good corporate governance. After each committee meeting, the Board will require the applicable committee to submit a report detailing the business of such meeting to the Board.

(m) The Company shall prepare and present to the Board, within two (2) weeks from the date hereof, a detailed plan to bolster the Company's management. Such plan shall specify a number of changes to the Company's management, including for the positions of (i) President, (ii) Chief Financial Officer, (iii) Chief Operating Officer, and any other functional roles at the Company, in each case as determined in good faith consultation with the Investor. Such plan shall be subject to the approval of Stephen Roman and Michael Scherb, as directors of the Company, prior to submission of the plan to the full Board for its approval. Following the approval of such plan by the Board, the Company shall promptly initiate a search process with an executive search firm to identify appropriate candidates for each of the aforementioned management positions and, within two (2) weeks of such executive search firm presenting a short list of candidates for a particular position and subject to the approval of Stephen Roman and Michael Scherb, as directors of the Company, to use reasonable efforts to meet with such candidates. The Company will report to the Board within thirty (30) days of the date the executive search firm presents the short list of candidates on individual candidates that have been approved by Stephen Roman and Michael Scherb, as directors of the Company, for the full Board's consideration. The Company shall use reasonable efforts to recruit and appoint a suitable qualified candidate for each such position within three (3) months from the date hereof. Selection and appointment of the candidates will be subject to the approval of Stephen Roman and Michael Scherb, as directors of the Company, prior to submission to the full Board for its approval. Once a new President has been appointed, an existing director (who is not an Investor Nominee) will resign to create a vacancy on the Board and the new President shall be appointed to fill such vacancy and to serve as one of the seven (7) members of the Board for a term expiring not earlier than the Company's next annual meeting of Shareholders at which directors of the Company are to be elected, provided that such person shall be nominated as a director at each such meeting of Shareholders for so long as such person is President and provided further that such person consents in writing to serve as a director of the Company and is eligible under the Act and applicable TSX rules and regulations to serve as a director.

(n) Harte's Chief Financial Officer will announce his retirement once a suitable qualified candidate for Chief Financial Officer has been recruited in accordance with paragraph (m) above but in any event with an effective date no later than December 31, 2019 and, subject to approval of the Board, may remain as a Senior Advisor to the Company. The Company and the Investor may agree to extend such effective date in the event that a suitable qualified candidate is not identified or is not available to commence employment prior to December 31, 2019.

(o) If at least two of the positions of (i) President, (ii) Chief Financial Officer, or (iii) Chief Operating Officer are not filled, or if at least two of the other positions specifically identified by the Investor in the plan referred to in paragraph (m) above are not filled, or a committed *bona fide* effort by the Company to satisfy paragraph (m) above is not demonstrated, within six (6) months from the date hereof, or if paragraph (n) above is not satisfied, the Investor's standstill obligations in Article 5 shall cease to apply. In addition, if at least two of the positions of (i) President, (ii) Chief Financial Officer, or (iii) Chief Operating Officer, or if at least two of the other positions specifically identified by the Investor in the plan referred to in paragraph (m) above are not filled, or a committed *bona fide* effort by the Company to satisfy paragraph (m) above is not demonstrated, within twelve (12) months from the date hereof, (i) subject to the approval of the TSX, the New Warrants shall be repriced at the "market price" of the Common Shares (being VWAP on the TSX for the five trading days immediately preceding the end of such twelve (12) month period) if such "market price" is less than Cdn$0.27, and (ii) subject to the approval of the TSX, the Existing Warrants shall be repriced at the lower of Cdn$0.27 and the price determined in accordance with subparagraph (i).

(p) Upon appointment of the new President, the Company agrees, subject to Board approval, to move its head office to a new location to be agreed in consultation with the new President and the Investor. For the avoidance of doubt the new location will be in the downtown financial district of Toronto.

(q) This Section 4.4 (other than paragraphs (m), (n) and (o)) shall cease to apply if the Investor's Percentage (as defined in the Original Subscription Agreement) is less than 15%. For the avoidance of doubt, nothing in this Agreement limits or restricts the Investor's board participation and other rights in the Original Subscription Agreement.

4.5 <u>Regulatory Matters</u>

(a) In the event that either of the Parties, or any of their respective representatives or agents, receives any request for information, documents or other materials, or a notice, from any Governmental Entity indicating that any investigation, review, inquiry or other formal or informal proceeding, which could lead to an Order temporarily or permanently prohibiting the Closing, is taking place or may take place, such Party shall to the extent permitted by applicable Law:

(i) promptly notify the other Party of the applicable notice or request for information, documents or other materials, and cooperate with the other Party in connection with any related investigation or other inquiry;

(ii) in consultation and cooperation with the other Party, respond as promptly as possible to any request for information made by any such Governmental Entity, and thereafter, after providing the other Party with a reasonable opportunity to review and comment on any drafts of any written communications with a Governmental Entity, make any other submissions or filings as may be advisable in order to enable the consummation of the transaction contemplated by this Agreement (promptly notifying the other Party when any such submission or filing is made); and

(iii) promptly respond to any request for a meeting by any Governmental Entity, arrange for such meeting to take place as soon as possible, and permit the other Party to attend such meeting, unless prohibited by the Governmental Entity.

(b) If required by applicable Securities Laws, the Investor will execute, deliver and file or assist the Company in filing such reports, undertakings and other documents with respect to the purchase of the Subscription Shares as may be required by any Securities Regulator or the TSX.

4.6 Expenses

Provided the Closing of the Subscription Shares occurs, the Company shall, within ten (10) Business Days of receiving a request from the Investor, reimburse the Investor for all reasonable legal, accounting and other professional and related fees and expenses incurred by the Investor in connection with this Agreement or any of the transactions contemplated hereby. The maximum amount of such foregoing fees and expenses subject to reimbursement shall be $175,000. The Company shall also, within ten (10) Business Days of receiving a request from the Investor, reimburse the Investor for reasonable travel and other related expenses for the Investor and up to five (5) representatives of its limited partners to visit the site of the Sugar Zone Property once per year.

4.7 Specific Performance and Injunction

The Company specifically acknowledges that its obligations under this Article 4 are an integral part of the transactions contemplated by this Agreement. The Company, therefore, specifically acknowledges and agrees that the breach of any of the terms this Article 4 by it would cause the Investor irreparable harm which may not be compensable in damages. The Company further acknowledges and agrees that it is essential to the effective enforcement of this Agreement that the Investor be entitled to equitable remedies including, but not limited to, specific performance and injunction without being required to show irreparable harm or to provide any security therefor. The Company acknowledges and agrees that the terms of this Agreement are just and reasonable having regard to all the circumstances.

ARTICLE 5
STANDSTILL

5.1 Standstill

From the Closing Date until the earlier of: (A) the date which is eighteen (18) months following the date hereof; and (B) the date on which the Investor's Percentage (as defined in the Original Subscription Agreement) is less than 7.5%, the Investor agrees it shall not, and shall procure that none of its Affiliates shall, either alone or with other Persons, directly or indirectly, without the prior written consent of the Company:

(i) acquire or agree to acquire or make any proposal to acquire, directly or indirectly, by means of purchase, merger, consolidation, take-over bid, exchange offer, tender offer, business combination, arrangement, amalgamation or in any other manner, whether in one transaction or a series of transactions, any Common Shares or Convertible Securities of the Company; or

(ii) commence a formal take-over bid, exchange offer, tender offer or similar transaction for any Common Shares or Convertible Securities of the Company.

Notwithstanding the foregoing, the Investor shall (x) in compliance with applicable Securities Laws, be entitled to purchase or acquire (or agree or offer to purchase or acquire) control or direction over Common Shares (including Convertible Securities) that, when added to Common Shares (including Convertible Securities) of the Company held by the Investor and its Affiliates or over which the Investor and its Affiliates exercise control or direction, would constitute no more than an aggregate of 30.0% of the outstanding Common Shares of the Company as of the date of acquisition thereof, and (y) be entitled to purchase or acquire any Common Shares pursuant to the Participation Right (as defined in the Original Subscription Agreement) or the exercise, conversion or exchange of any Convertible Securities held by the Investor and its Affiliates or over which the Investor and its Affiliates exercise control or direction.

The above restrictions shall immediately terminate in the event that:

(iii) any Person or entity who is not an Affiliate of the Investor and not acting "jointly or in concert" (where such phrase has the meaning ascribed thereto in applicable Securities Laws) with the Investor or any of its Affiliates (a "**Third Party**") announces an intention to make, or makes, a take-over bid, tender offer, exchange offer or similar transaction for, or seeks to acquire, all or any of the outstanding Common Shares or Convertible Securities;

(iv) a Third Party requisitions or publicly announces its intention to requisition a meeting of the shareholders of the Company to consider a business combination, merger, arrangement, amalgamation or other similar transaction involving the Third Party and the Company or a transaction involving a sale of all or substantially all of the Company's assets or securities;

(v) the Company or the Board makes a public announcement in respect of, or gives notice of a meeting of the Shareholders to consider a business combination, merger, arrangement, amalgamation or other similar transaction or a transaction involving a sale of all or substantially all of the Company's assets or securities;

(vi) the Company becomes subject to any proceeding to adjudicate it a bankrupt or insolvent, or seeking liquidation, dissolution, winding-up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee or other similar official for it or for any substantial part of its property or that of any of its Affiliates; or

(vii) the Shareholder Approval is not obtained by July 4, 2019.

Notwithstanding the above, the obligations of the Investor set out in this Article 5 will cease to apply if the Company is not in compliance with this Agreement, the Original Subscription Agreement, the Appian Facility, the side agreement dated as of December 29, 2017 between the Investor and the Company and the Appian Offtake Agreement (except for immaterial non-compliance on an isolated basis that is corrected within thirty (30) days).

ARTICLE 6
STANDBY COMMITMENT

6.1 Standby Commitment

Subject to the pre-conditions set forth in Section 6.2, the Investor shall make available to the Company a standby commitment (the "**Standby Commitment**") of up to $7,500,000 until June 30, 2020 pursuant to which the Company may, in its sole discretion and on twenty (20) Business Days' notice to the Investor, elect to receive either (i) $5,000,000 from the Investor or its nominee in exchange for a 1% net smelter return royalty from the Company on the Sugar Zone Property or (ii) $7,500,000 from the Investor or its nominee to receive a 1.5% net smelter return royalty from the Company on the Sugar Zone Property, in each case, on the terms set forth in the form of the royalty agreement attached as Schedule "F" hereto.

6.2 Pre-Conditions

The Standby Commitment may only be exercised by the Company on one occasion and only if the conditions set forth below have been satisfied:

(i) there shall not have occurred a Material Adverse Effect on or before the closing of the Standby Commitment;

(ii) the Appian Facility and the Sprott Facility shall be been repaid in full and terminated or the Investor shall otherwise be satisfied with the arrangement for the repayment of the foregoing;

(iii) the Company shall be in material compliance with the terms of this Agreement as of the closing of the Standby Commitment;

(iv) a registration in respect of the New Royalty will be registered on title to satisfaction of the Investor, acting reasonably;

(v) the Investor shall have received at the closing of the Standby Commitment favourable legal opinions dated the date of such closing, in form and substance satisfactory to the Investor acting reasonably, from Canadian counsel to the Company, addressed to the Investor, as to the Laws of Canada and Ontario which counsel may rely upon as to matters of fact on certificates of the auditors of the Company, TSX Trust, government officials, public and stock exchange officials and officers of the Company, with respect to the following matters, assuming completion of the Closing, and subject to standard assumptions and qualification:

    (A) as to the valid existence and good standing of incorporation of the Company under the Laws of its jurisdiction of incorporation;

    (B) that the Company has all requisite corporate power and capacity including under the Laws of its jurisdiction of incorporation to (i) carry on its business as presently carried on; (ii) own its property; and (iii) grant the New Royalty;

    (C) that all necessary corporate action has been taken by the Company to authorize the execution and delivery of the New Royalty and the performance of its obligations thereunder;

    (D) that the execution and delivery of the New Royalty by the Company and the fulfilment of the terms of thereof do not and will not result in a breach (whether after notice or lapse of time or both) of any current statute or regulation of the Province of Ontario, or of the terms, conditions or provisions of the constating documents of the Company; and

    (E) that the New Royalty has been duly authorized and executed by the Company and constitutes a legal, valid and binding obligation of the Company and is enforceable against the Company in accordance with its terms, subject to reasonable opinion qualifications;

(vi) the Investor shall have received at the closing of the Standby Commitment a certificate dated the date of such closing, addressed to the Investor and signed on behalf of the Company by an officer of the Company, with respect to the constating documents of the Company, all resolutions of the Board relating to the New Royalty, the incumbency and specimen signatures of signing officers of the Company;

(vii) the Investor shall have received at the closing of the Standby Commitment a certificate dated the date of such closing, addressed to the Investor and signed on behalf of the Company by two senior officers of the Company, certifying for and on behalf of the Company, after having made due inquiry, as to such other matters as the Investor may reasonably request;

(viii) the Company will deliver to the Investor certificates of good standing and/or compliance (or the equivalent), where issuable under applicable Law, for the Company, dated within one (1) day prior to the closing of the Standby Commitment; and

(ix) the Company shall have received prior the closing of the Standby Commitment and delivered to the Investor the acceptance of the TSX of the Company's notice under subsection 501(c) of the TSX Company Manual in respect of the New Royalty on terms and conditions acceptable to the Investor.

ARTICLE 7
CLOSING

7.1 Closing

The Closing of the purchase and sale of the Subscription Shares shall be held at the offices of McCarthy Tétrault LLP, Toronto, at the Closing Time on the Closing Date.

7.2 Company Closing Deliveries and Conditions for Acceptance

The Investor's obligation to purchase the Subscription Shares and provide the Standby Commitment and Facility Extension at the Closing Time shall be subject to the following conditions:

(a) Representations; Covenants.

(i) Each of the representations and warranties of the Company contained in this Agreement shall be accurate in all material respects (except those representations and warranties which are qualified by materiality which shall be true and correct in all 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.

(ii) All covenants and agreements of the Company contained in this Agreement to be completed prior to the Closing Time shall have been performed or completed in all material respects by the Company.

(b) Delivery of Opinions.

(i) The Investor shall have received at the Closing Time favourable legal opinions dated the Closing Date, in form and substance satisfactory to the Investor acting reasonably, from Canadian counsel to the Company, addressed to the Investor, as to the Laws of Canada and Ontario which counsel may rely upon as to matters of fact on certificates of the auditors of the Company, TSX Trust, government officials, public and stock exchange officials and officers of the Company, with respect to the following matters, assuming completion of the Closing, and subject to standard assumptions and qualifications:

(A) as to the valid existence and good standing of incorporation of the Company under the Laws of its jurisdiction of incorporation, as applicable;

(B) as to the authorized and issued capital of the Company;

(C) that the Company has all requisite corporate power and capacity including under the Laws of its jurisdiction of incorporation to (i) carry on its business as presently carried on; (ii) own its property; (iii) issue the Subscription Shares and the New Warrants (subject to the receipt of Shareholder Approval to permit the issuance of Common Shares that would result in the Investor holding more than 20% of the Common Shares in accordance with the rules of the TSX) and (iv) carry out the transactions contemplated by this Agreement;

(D) that all necessary corporate action has been taken by the Company to authorize the execution and delivery of this Agreement and the performance of its obligations thereunder;

(E) that the Subscription Shares have been duly authorized and are validly issued and outstanding as fully paid and non-assessable shares;

(F) that the New Warrants have been duly authorized and are validly issued;

(G) that the Common Shares issuable on the conversion of the Subscription Shares and the exercise of the New Warrants have been duly authorized and will be duly and validly issued as fully paid and non-assessable, subject to the receipt of Shareholder Approval to permit the issuance of Common Shares that would result in the Investor holding more than 20% of the Common Shares in accordance with the rules of the TSX;

(H) that the execution and delivery of this Agreement by the Company, the fulfilment of the terms of thereof, the issue and sale of the Subscription Shares and the New Warrants and, the consummation of the transactions contemplated by this Agreement do not and will not result in a breach (whether after notice or lapse of time or both) of any current statute or regulation of the Province of Ontario, or of the terms, conditions or provisions of the constating documents of the Company;

(I) that this Agreement has been duly authorized and executed by the Company and constitutes a legal, valid and binding obligation of the Company and is enforceable against the Company in accordance with its terms, subject to reasonable opinion qualifications;

(J) that the form and terms of the certificate representing the Subscription Shares have been duly approved by the Company and meet all legal requirements under the constating documents of the Company, the Act and the rules of the TSX and have been duly approved by the Company;

(K) that the Company is a reporting issuer in each Reporting Jurisdiction and is not in default of the Securities Laws of such provinces; and

(L) the issue and sale of the Subscription Shares and the New Warrants by the Company to the Investor is exempt from the prospectus requirements of applicable Securities Laws and no prospectus will be required, no other document will be required to be filed, no proceeding will be required to be taken and no approval, permit, consent, Order or Authorization of a regulatory authority will be required to be obtained by the Company under applicable Securities Laws in connection with the issue and sale of the Subscription Shares and the New Warrants to the Investor other than the requirement that the Company files within ten (10) days from the date of issue a report under NI 45-106 or OSC Rule 72-503.

(c) Delivery of Certificates.

(i) The Investor shall have received at the Closing Time a certificate dated the Closing Date, addressed to the Investor and signed on behalf of the Company by an officer of the Company, with respect to the constating documents of the Company, all resolutions of the Board relating to this Agreement, the incumbency and specimen signatures of signing officers of the Company.

(ii) The Investor shall have received at the Closing Time a certificate of the Company dated the Closing Date, addressed to the Investor and signed on behalf of the Company by two senior officers of the Company, certifying for and on behalf of the Company, after having made due inquiry, that:

(A) since the date of this Agreement, that (1) there has been no material change (actual, anticipated, contemplated or threatened, whether financial or otherwise) in the business, affairs, liabilities (absolute, accrued, contingent or otherwise), capital, operations, financial condition, properties, prospects, assets or prospects of the Company, (2) no transaction has been entered into by the Company which is material to the Company and (3) all material changes and all material facts in relation to the Company have been generally disclosed by the Company (within the meaning of applicable Securities Laws);

(B) no Order, ruling or determination having the effect of suspending the sale or ceasing the trading of the Common Shares or any other securities of the Company has been issued by any Governmental Entity and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of such officers, after due inquiry, contemplated or threatened under applicable Securities Laws or by any Governmental Entity;

(C) the Company has complied with the terms and conditions of this Agreement on its part to be complied with up to and as of the Closing Time;

(D) the representations and warranties of the Company contained in this Agreement and in any certificate or other document delivered pursuant to or in connection with this Agreement are accurate in all material respects (except those representations and warranties which are qualified by materiality which shall be true and correct in all respects) as of the Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement; and

(E) such other matters as the Investor may reasonably request.

(iii) The Company will deliver to the Investor certificates of good standing and/or compliance (or the equivalent), where issuable under applicable Law, for the Company, dated within one (1) day prior to the Closing Date.

(d) Conditional acceptance from the TSX of the issuance of the Subscription Shares and the New Warrants and the issuance and listing of the Common Shares issuable upon the conversion of the Subscription Shares and the exercise of the New Warrants, in each case on terms and evidence satisfactory to the Investor, acting reasonably;

(e) There shall not have occurred a Material Adverse Effect;

(f) The Board shall not have authorized the issuance of any Common Shares or Convertible Securities or other securities other than the Subscription Shares;

(g) There is no Order in effect that temporarily or permanently prohibits the completion of the transactions contemplated by this Agreement;

(h) The Investor shall have received a share certificate, in physical form, representing the Subscription Shares in accordance with Section 2.3;

(i) The Investor shall have received a warrant certificate representing the New Warrants in accordance with Section 2.4;

(j) The Investor shall have received the Facility Extension duly executed by the Company;

(k) The Investor shall have received the Voting Support Agreements duly executed by each of the Locked-Up Shareholders in form and substance satisfactory to the Investor;

(l) The Investor shall have received by no later than June 7, 2019 approval from the Limited Partner Advisory Committee for each of the Appian Natural Resources Fund and the Appian Natural Resources Fund II for the Standby Commitment; and

(m) The Investor shall be satisfied in its sole discretion that all actions required to be taken by or on behalf of the Company, including, without limitation, all requisite filings with any Governmental Entity will have occurred at or prior to the Closing Time so as to authorize and approve this Agreement and the transactions contemplated hereby and all matters related to the foregoing, including the issuance and sale of the Subscription Shares and the New Warrants.

7.3 Investor Closing Deliveries

The Investor acknowledges and agrees that the obligations of the Company shall be subject to the following conditions:

(a) Representations; Covenants.

(i) Each of the representations and warranties of the Investor contained in this Agreement shall be accurate in all material respects (except those representations and warranties which are qualified by materiality which shall be true and correct in all 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.

(ii) All covenants and agreements of the Investor contained in this Agreement to be completed prior to the Closing Time shall have been performed or completed in all material respects by the Investor.

(b) Deliveries. The Investor shall deliver or cause to be delivered to the Company, the following:

(i) payment of the Purchase Price in accordance with Section 2.2; and

(ii) the Facility Extension duly executed by the Investor.

ARTICLE 8
GENERAL PROVISIONS

8.1 Termination

(a) It is understood that the Investor and the Company may at their sole discretion waive, in whole or in part, or extend the time for compliance with, any of the terms and conditions of this Agreement in their favour without prejudice to their rights in respect of any other of such terms and conditions or any other subsequent breach or non-compliance; provided, however, that to be binding on the Investor or the Company as applicable any such waiver or extension must be in writing.

(b) This Agreement may be terminated on or before the Closing under the following circumstances:

(i) upon mutual consent of the Parties;

(ii) by either the Investor or the Company, if the Closing Time shall not have occurred on or before the Outside Date, except that the right to terminate this Agreement under this Section 8.1(b)(ii) shall not be available to either Party whose failure to perform any of its covenants or agreements or breach any of its representations and warranties under this Agreement has been the cause of, or resulted in, the failure of the Closing Time to occur by the Outside Date;

(iii) by the Investor, upon written notice to the Company, if there has been a material violation, breach or inaccuracy of any representation, warranty or covenant of the Company contained in this Agreement, which violation, breach or inaccuracy would cause any of the representations, warranties, covenants or conditions of the Company in this Agreement not to be satisfied; or

(iv) by the Company, upon written notice to the Investor, if there has been a material violation, breach or inaccuracy of any representation, warranty or covenant of the Investor contained in this Agreement, which violation, breach or inaccuracy would cause any of the representations, warranties, covenants or conditions of the Investor in this Agreement not to be satisfied.

(c) If the Investor fails to satisfy or waive the condition in Section 7.2(l) before 11:59 p.m. (Toronto time) on June 7, 2019, this Agreement shall terminate as of such time with no further action required by either of the Parties and be of no further force and effect.

(d) The obligations of the Parties in Sections 3.5, 8.2, 8.3 8.4, 8.5, 8.6 and 8.7 shall survive the termination of this Agreement.

8.2 <u>Notices</u>

(a) Any notice or other communication that is required or permitted to be given hereunder shall be in writing and shall be validly given if delivered in person (including by courier service) or transmitted by fax or email as follows:

(i) in the case of the Investor:

ANR Investments B.V.
[Address redacted]

Attention: [Names redacted]

Facsimile: [Number redacted]
Email: [Email addresses redacted]

with a copy to:

Appian Capital Advisory LLP
[Address redacted]

Attention: [Name redacted]
Email: [Email address redacted]

and

McCarthy Tétrault LLP
Suite 5300, TD Bank Tower
Box 48, 66 Wellington Street West
Toronto, Ontario, Canada M5K 1E6

Attention: Shea T. Small
Facsimile: (416) 868-0673
Email: ssmall@mccarthy.ca

(ii) in the case of the Company:

Harte Gold Corp.
Suite 1700, 8 King Street East
Toronto, Ontario, Canada M5C 1B5

Attention: Stephen G. Roman, Chief Executive Officer
Facsimile: [Number redacted]
Email: [Email address redacted]

with a copy to:

Cassels Brock & Blackwell LLP
2100 Scotia Plaza
40 King Street West
Toronto, Ontario, Canada M5H 3C2

Attention: Jay Goldman and Lindsay Clements
Facsimile: 416-644-9337 and 416-642-7135
Email: jgoldman@casselsbrock.com and lclements@casselsbrock.com

(b) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. (local time) at the place of receipt, then on the next following Business Day).

(c) Any Party may at any time change its address for service from time to time by giving notice to the other Party in accordance with this Section 8.2.

8.3 Further Assurances

Each of the Parties hereto shall, from time to time hereafter and upon any reasonable request of the other, promptly do, execute, deliver or cause to be done, executed and delivered all further acts, documents and things as may be required or necessary for the purposes of giving effect to this Agreement.

8.4 Amendments

No amendment or waiver of any provision of this Agreement shall be binding on any Party unless consented to in writing by such Party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

8.5 Assignment

Neither Party may assign any of its rights or benefits under this Agreement, or delegate any of its duties or obligations, except with the prior written consent of the other Party, provided, however, that the Investor may assign this Agreement to an Affiliate without the requirement to obtain the prior written consent of the Company.

8.6 Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding on and enforceable by and against the Parties and their respective successors and permitted assigns.

8.7 No Partnership

Nothing in this Agreement or in the relationship of the Parties hereto shall be construed as in any sense creating a partnership between the Parties or as giving to any Party any of the rights or subjecting any Party to any of the creditors of the other Party.

8.8 Public Releases

Any press release relating to the issuance and sale of Subscription Shares and the entering into of this Agreement will be jointly agreed upon by the Company and the Investor.

8.9 Counterparts

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts (whether by facsimile, email, or other electronic means), with the same effect as if all Parties had signed and delivered the same document, and all counterparts shall be construed together to be an original and will constitute one and the same agreement.

[The remainder of this page has been intentionally left blank.]

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

HARTE GOLD CORP.

By: *“S.G. Roman”*
Name: S. G. Roman
Title: Chairman, President & CEO

ANR INVESTMENTS B.V.

By: *“Wolfgang Out”*
Name: Wolfgang Out
Title: Director B

By: *“Michael W. Scherb”*
Name: Michael W. Scherb
Title: Director A

Schedule "A"

LOCKED-UP SHAREHOLDERS

Stephen G. Roman

Michael Cowie

Richard Faucher

Fergus Kerr

Richard Sutcliffe

Derek Rance

Shawn Howarth

Rein Lehari

Tim Campbell

Roger Emdin

Schedule "B"

SPECIAL SHARE TERMS

See attached.

Series A Special Shares

Schedule "A" to Articles of Amendment

HARTE GOLD CORP.

To authorize a new series of Special Shares designated as Series A Special Shares.

SERIES A SPECIAL SHARES

The rights, privileges, restrictions and conditions of the Series A Special Shares are set out below.

Section 1. Definitions. For the purposes hereof, the following terms shall have the following meanings:

"10% Insider Restriction" means, unless and until Shareholder Approval is obtained, the maximum number of Common Shares that can be issued upon the conversion of Series A Special Shares, aggregated with any Common Shares issued upon the exercise of any Standby and Extension Warrants, which maximum number cannot exceed 54,402,460 Common Shares.

"20% Restriction" means, unless and until Shareholder Approval is obtained, the restriction on the Corporation issuing Common Shares that result in the Holders (and affiliates thereof) acquiring 20% of more of the outstanding Common Shares.

"Appian Bridge Facility" means the bridge loan facility advanced by ANR Investments B.V. to the Corporation pursuant to a bridge loan agreement between the Corporation and ANR Investments B.V. made as of May 3, 2018, as amended October 31, 2018 and December 31, 2018.

"Automatic Conversion Date" shall have the meaning given such term in Section 7(a) hereof.

"Business Day" means a day other than a Saturday, Sunday or any other day treated as a holiday in Toronto, Ontario, London, England or Jersey, Channel Islands.

"Canadian Dollar Conversion Amount" shall have the meaning given such term in Section 6(a) hereof.

"Common Shares" means the Corporation's common shares, and shares of any other class into which such shares may hereafter have been reclassified or changed.

"Conversion Amount" means US$1.00 per Series A Special Share, unless the Shareholder Approval is not obtained on or before July 4, 2019, in which case the

Conversion Amount per Series A Special Share will be an amount equal to US$1.00 multiplied by $(1 + (R/4))^N$ where:

R	=	0.12 + M;
M	=	0.03 if the Appian Bridge Facility and the Sprott Facility are not fully repaid on or before November 9, 2019; and
N	=	number of non-calendar quarters, rounded to the nearest two decimal points, from the Original Issue Date to the date of calculation of the Conversion Amount (which date shall be the earlier of the day preceding the conversion or retraction of such Series A Special Share, as applicable).

"Conversion Date" means the Automatic Conversion Date or such date as the Holder gives notice to the Corporation of the exercise of his, her or its right of conversion provided for in Section 6(a) (notwithstanding the failure of such Holder thereof to surrender the certificate or certificates at or prior to such time).

"Conversion Price" means C$0.27 per Common Share, as may be adjusted as set out herein.

"Convertible Securities" means securities of the Corporation (other than Series A Special Shares) or of any other issuer convertible into or exchangeable for or otherwise carrying the right to acquire Common Shares.

"Corporation" means Harte Gold Corp.

"Current Market Price" means in respect of a Common Share at any date means the VWAP for the 20 consecutive Trading Days ending on the fifth Trading Day before such date on the TSX or, if the Common Shares are not listed on the TSX, then on such other stock exchange on which the Common Shares are then listed as may be selected by the board of directors of the Corporation or, if the Common Shares are not then listed on a stock exchange, on the over-the-counter market; provided that, if there is no market for the Common Shares during all or part of such period during which the Current Market Price thereof would otherwise be determined, the Current Market Price in respect of a Common Share shall in respect of all or part of the period be determined by a nationally recognized accounting firm chosen by the Corporation.

"Holder" shall have the meaning given such term in Section 2 hereof.

"Original Issue Date" shall mean the date of the first issuance of any Series A Special Shares regardless of the number of transfers of any particular Series A Special Shares and regardless of the number of certificates which may be issued to evidence such Series A Special Shares.

"Other Special Shares" shall have the meaning given such term in Section 5 hereof.

"Person" means a corporation, an association, a partnership, an organization, a business, an individual, a government or political subdivision thereof or a governmental agency.

"Retraction Date" shall have the meaning given such term in Section 8(b) hereof.

"Series A Special Shares" shall have the meaning given such term in Section 2 hereof.

"Shareholder Approval" means for the approval of the shareholders of the Corporation for the Holders (and affiliates thereof) to exceed the 20% Restriction and the 10% Insider Restriction.

"Sprott Facility" means the loan facility advanced by Sprott Private Resource Lending (Collector), LP to the Corporation pursuant to a credit agreement between the Corporation and Sprott Private Resource Lending (Collector), LP made as of May 31, 2018, as amended by the First Modification Agreement dated October 31, 2018, the Second Modification Agreement dated November 30, 2018 and the Third Modification Agreement dated February 11, 2019.

"Trading Day" means, with respect to the TSX or other market for securities, any day on which such exchange or market is open for trading or quotation.

Section 2. Designation and Amount. The series of convertible special shares shall be designated as its Series A Convertible Special Shares (the "Series A Special Shares") and the Corporation is authorized to issue up to Ten Million (10,000,000) Series A Special Shares (which shall not be subject to increase without the approval of the holders of the Series A Special Shares (each, a "Holder" and collectively, the "Holders")).

Section 3. Dividends. The Holders of the Series A Special Shares shall not be entitled to receive any dividends of the Corporation unless the board of directors of the Corporation resolves to declare and pay dividends on the Common Shares in which case all dividends which the board of directors of the Corporation may resolve to declare and pay on the Common Shares must be declared and paid in equal or equivalent amounts per share on all of the Series A Special Shares (calculated assuming the conversion of the Series A Special Shares into Common Shares on the Business Day immediately preceding the dividend resolution) and Common Shares at the time outstanding without preference or distinction.

Section 4. Voting. The Holders of the Series A Special Shares shall not be entitled to receive notice of or to attend meetings of the shareholders of the Corporation and shall not have any voting rights in respect thereof, except as required by the *Business Corporations Act* (Ontario) or other applicable law.

Section 5. Participation upon Liquidation, Dissolution or Winding-Up. Upon the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation for the purpose of winding-up its affairs, the Holders of the Series A Special Shares shall be entitled to receive from the assets of the Corporation, in preference and priority to the Common Shares, but pari passu with special shares of any other series (the "Other Special Shares"), a sum equivalent to the Conversion Amount for each Series A Special Share plus any declared but unpaid dividends thereon. After payment to the Holders of the Series A Special Shares of the amounts as above provided, the Holders of the Series A Special Shares shall not be entitled to share in any further distribution of the assets of the Corporation. If the remaining property and assets of the Corporation are not sufficient to provide for payment in full to the Holders of the Series A Special Shares of the amounts provided above, and to the holders of any Other Special Shares, then such remaining property and assets of the Corporation shall be allocated to the Holders of the Series A Special Shares and Other Special Shares on a pro rata basis without preference or distinction.

Section 6. Conversion Privilege.

a) Conversion Privilege. Each issued Series A Special Share may at any time on or before the Automatic Conversion Date be converted, at the option of the Holder and subject to the Corporation complying with the 20% Restriction and the 10% Insider Restriction to the extent Shareholder Approval has not been received, into Common Shares at the Conversion Price (subject to adjustments set out herein), and such Series A Special Shares may not be reissued by the Corporation. In order to calculate the number of Common Shares issuable upon conversion of the Series A Special Shares, the Conversion Amount shall be converted into Canadian dollars at the Bank of Canada daily exchange rate for US dollars on the Original Issue Date (the "Canadian Dollar Conversion Amount"). The Series A Special Shares shall be converted at a ratio equal to the Canadian Dollar Conversion Amount per Series A Special Share divided by the Conversion Price (subject to adjustments set out herein).

b) Procedural Requirements. The conversion privilege provided for in Section 6(a) may be exercised by notice in writing given by a Holder to the Corporation at the Corporation's head office accompanied by the certificate or certificates representing the Series A Special Shares (or, if such Holder indicates that such a certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of such lost, stolen or destroyed certificate) in respect of which the Holder desires to exercise such right of conversion and such notice will be signed by the Holder of the Series A Special Shares in respect of which such right is being exercised and will specify the number of Series A Special Shares which the Holder desires to have converted. If so required by the Corporation, a certificate or certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing.

Upon receipt of such notice, the Corporation will issue a certificate representing fully paid Common Shares upon the basis above prescribed and in accordance with the provisions hereof to the Holder of the Series A Special Shares represented by the certificate or certificates accompanying such notice. If less than all of the Series A Special Shares represented by any certificate are to be converted, the Holder will be entitled to receive a new certificate for the Series A Special Shares representing the shares comprised in the original certificate which are not to be converted. All rights with respect to the Series A Special Shares converted pursuant to Section 6(a) will terminate at the time the Holder gives notice to the Corporation of the exercise of his, her or its right of conversion provided for in Section 6(a) (notwithstanding the failure of such Holder thereof to surrender the certificate or certificates at or prior to such time), except only the rights of such Holder, upon surrender of his, her or its certificate or certificates (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Section 6(b). As soon as practicable after the Holder gives notice to the Corporation of the exercise of his, her or its right of conversion provided for in Section 6(a) and the surrender of the certificate or certificates (or lost certificate affidavit and agreement) for Series A Special Shares, the Corporation shall issue and deliver to such Holder, or to his, her or its nominees, a certificate or certificates for the number of fully paid Common Shares issuable on such conversion in accordance with the provisions hereof (rounded down in the case of any fractional shares). Such converted Series A Special Shares shall be retired and cancelled and may not be reissued, and the Corporation may thereafter take such appropriate action as may be necessary to reduce the authorized number of Series A Special Shares accordingly.

Section 7. Automatic Conversion.

a) Trigger Event. On the date (the "Automatic Conversion Date") that is two weeks (or the first Business Day thereafter if such date is not a Business Day) following the latest of (i) if the Shareholder Approval is obtained on or before July 4, 2019, the date of receipt by Corporation of the Shareholder Approval, (ii) the date of repayment in full of the Appian Bridge Facility, and (iii) the date of repayment in full of the Sprott Facility, all outstanding Series A Special Shares shall be converted into Common Shares at the Conversion Price (subject to adjustments set out herein), and such Series A Special Shares may not be reissued by the Corporation. The time of conversion shall be deemed to be 12:00 a.m. on the Automatic Conversion Date (the "Automatic Conversion Time"). The Series A Special Shares shall be converted at a ratio equal to the Canadian Dollar Conversion Amount per Series A Special Share divided by the Conversion Price (subject to adjustments set out herein).

b) Procedural Requirements. All Holders shall be sent written notice of the Conversion Date, the Automatic Conversion Time and the Canadian Dollar Conversion Amount. Such notice shall be sent in advance of the occurrence of the Automatic Conversion Time. Upon receipt of such notice, each Holder of Series A Special Shares shall surrender his, her or its certificate or certificates for all such shares (or, if such Holder indicates that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the

Corporation against any claim that may be made against the Corporation on account of such lost, stolen or destroyed certificate) to the Corporation at the Corporation's head office. If so required by the Corporation, a certificate or certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the Series A Special Shares converted pursuant to Section 7(a) will terminate at the Automatic Conversion Time (notwithstanding the failure of the Holder or Holders thereof to surrender the certificate or certificates at or prior to such time), except only the rights of the Holder or Holders thereof, upon surrender of their certificate or certificates (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Section 7(b). As soon as practicable after the Automatic Conversion Time and the surrender of the certificate or certificates (or lost certificate affidavit and agreement) for Series A Special Shares, the Corporation shall issue and deliver to such Holder, or to his, her or its nominees, a certificate or certificates for the number of fully paid Common Shares issuable on such conversion in accordance with the provisions hereof (rounded down in the case of any fractional shares). Such converted Series A Special Shares shall be retired and cancelled and may not be reissued, and the Corporation may thereafter take such appropriate action as may be necessary to reduce the authorized number of Series A Special Shares accordingly.

Section 8. Retraction.

a) Retraction at Option of Holder. If Shareholder Approval is not received by July 4, 2019, beginning on July 5, 2019, a Holder shall be entitled, at his, her or its election at any time and from time to time, to have the Corporation redeem, subject to the requirements of the *Business Corporations Act* (Ontario), in whole or in part, the Series A Special Shares for the Conversion Amount per Series A Special Share.

b) Mechanics of Retraction. In the case of a retraction of Series A Special Shares, the Holder shall tender to the Corporation at its head office a share certificate or certificates representing the Series A Special Shares which the Holder desires to have the Corporation redeem together with a request in writing specifying (i) that the Holder desires to have the Series A Special Shares represented by such certificate or certificates redeemed by the Corporation and, if part only of the shares represented by such certificate or certificates is to be redeemed, the number thereof so to be redeemed and (ii) the Business Day (herein referred to as the "Retraction Date") on which the Holder desires to have the Corporation redeem the Series A Special Shares. The Retraction Date shall be not less than 30 days after the day on which the request in writing is given to the Corporation unless the Corporation agrees otherwise. Upon receipt of a share certificate or certificates representing the Series A Special Shares which the Holder desires to have the Corporation redeem together with such written request, the Corporation shall on the Retraction Date redeem such Series A Special Shares by paying to the Holder the Conversion Amount for each such Series A Special Share being redeemed. Such payment shall be made by cheque payable at par at any branch of the Corporation's bankers for the time being in Canada or any other form of payment acceptable to the

Holder of the Series A Special Shares being redeemed. If a part only of the shares represented by any certificate be redeemed a new certificate for the balance shall be issued at the expense of the Corporation. The said Series A Special Shares shall be redeemed on the Retraction Date and from and after the Retraction Date the Holder of such shares shall not be entitled to exercise any of the rights of a Holder of Series A Special Shares in respect thereof unless payment of the Conversion Amount is not made on the Retraction Date, in which event the rights of the Holder shall remain unaffected.

Section 9. Anti-Dilution Adjustments. For so long as any Series A Special Shares are outstanding, the Conversion Price will be subject to adjustment from time to time in the events and in the manner provided as follows:

a) Adjustment for Share Splits and Share Consolidations. If the Corporation shall at any time or from time to time after the Original Issue Date effect:

i. a subdivision, redivision or change of the outstanding Common Shares into a greater number of Common Shares;
ii. consolidation, reduction or combination of the outstanding Common Shares into a lesser number of Common Shares; or
iii. fix a record date for the issue of, or issue, Common Shares or Convertible Securities to all or substantially all of the holders of Common Shares as a stock dividend or other distribution (other than a dividend paid in the ordinary course or Common Shares received, at the holder's option, in lieu of a cash dividend paid in the ordinary course);

(any such event being referred to as a "Common Share Reorganization"), the Conversion Price shall be adjusted, effective immediately after the effective date or record date at which holders of Common Shares are determined for purposes of the Common Share Reorganization, by multiplying the Conversion Price immediately prior to such effective date or record date, by a fraction of which:

A. the numerator shall be the total number of Common Shares outstanding on such date before giving effect to such Common Share Reorganization; and
B. the denominator shall be the number of Common Shares outstanding immediately after giving effect to such Common Share Reorganization (including, in the case of a distribution of Convertible Securities, the number of Common Shares that would have been outstanding if such Convertible Securities had been exchanged for or converted into Common Shares on such date).

To the extent that any adjustment in the number of Common Shares issuable upon exercise of the Series A Special Shares occurs pursuant to Section 9(a)(iii) as a result of the fixing by the Corporation of a record date for the distribution of Convertible Securities, the Conversion Price shall be readjusted after the expiration of any relevant exchange or conversion right to the Conversion Price which would then be in effect based upon the number of Common Shares actually issued and remaining issuable after such expiration.

b) Adjustments for Other Dividends and Distributions. In the event the Corporation at any time or from time to time after the Original Issue Date issues or distributes to all or substantially all the holders of its outstanding Common Shares:

a. shares of the Corporation of any class other than Common Shares;

b. rights, options or warrants (excluding rights, options or warrants subject to Section 9(a));

c. evidences of indebtedness; or

d. any other cash, securities or other property or assets;

and such issuance or distribution does not constitute a dividend paid in the ordinary course or does not result in an adjustment pursuant to Section 9(a) or Section 9(c) (any such event being referred to as a "Special Distribution"), the Conversion Price shall be adjusted, effective immediately after the record date on which the holders of Common Shares are determined for purposes of the Special Distribution, by multiplying the Conversion Price in effect on the record date by a fraction:

A. the numerator of which shall be the amount by which (1) the product of the number of Common Shares outstanding on the record date and the Current Market Price on such record date, exceeds (2) the aggregate fair market value, as determined by the board of directors of the Corporation acting reasonably and in good faith (subject to the consent or preclearance of such value by the TSX) of the shares, rights, options, warrants, evidences of indebtedness or other assets issued or distributed in the Special Distribution; and

B. the denominator of which shall be the product of the number of Common Shares outstanding on the record date and the Current Market Price on such record date.

To the extent that any adjustment in the Conversion Price occurs pursuant to Section 9(b) as a result of the Corporation fixing a record date for a Special Distribution, the Conversion Price shall be readjusted based on the shares, rights, options, warrants, evidences of indebtedness or other assets actually distributed or the number of Common Shares or Convertible Securities actually delivered upon the exercise of rights, options and warrants, as the case may be, but subject to any other adjustment required hereunder by reason of any other event arising after such record date. Any Common Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of any computation made pursuant to Section 9(b).

c) Adjustment for Rights Offering. If at any time after the Original Issue Date, the Corporation fixes a record date for the issuance of rights, options or warrants to all or substantially all of the holders of the outstanding Common Shares pursuant to which the holders of Common Shares are entitled, directly or indirectly, during a period expiring not more than 45 days after the date of such issue to subscribe for or purchase Common Shares or Convertible Securities at a price per Common Share of less than the Current Market Price on such record date (any such issuance being referred to as a "Rights Offering" and the Common Shares that may be acquired under the Rights Offering, or upon exchange or conversion of Convertible Securities acquired under the Rights Offering, being referred to as the "Offered Shares"), then the Conversion Price shall be adjusted effective immediately after such record date by multiplying the Conversion Price in effect on the record date by a fraction:

a. the numerator of which shall be the sum of:
   A. the total number of Common Shares outstanding as of the record date for the Rights Offering, and
   B. a number equal to the quotient obtained by dividing the aggregate price of the Offered Shares (consisting of the product of either (1) the number of Offered Shares and the subscription or purchase price for each Offered Share; or (2) the maximum number of Offered Shares for or into which the Convertible Securities may be exchanged or converted and the conversion price for each Convertible Security) by the Current Market Price of the Common Shares on the record date; and
b. the denominator of which shall be the number of Common Shares which would be outstanding immediately after giving effect to the Rights Offering (assuming the exercise of all of the rights, options or warrants under the Rights Offering and assuming the exchange or conversion into Common Shares of all Convertible Securities issued upon exercise of such rights, options or warrants, if any).

To the extent that any adjustment in the Conversion Price occurs pursuant to this Section 9(c) as a result of the Corporation fixing a record date for a Rights Offering, the Conversion Price shall be readjusted based on the number of Offered Shares (or Convertible Securities that are convertible into Offered Shares) actually issued and delivered upon the exercise of the rights, options or warrants, as the case may be, but subject to any other adjustment required hereunder by reason of any other event arising after such record date. Any Offered Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of any computation made pursuant to Section 9(c).

d) Adjustment for Amalgamation, Arrangement, Merger or Reorganization, etc. If there shall occur any amalgamation, arrangement, consolidation, merger, recapitalization, reclassification or reorganization involving the Corporation in which the Common Shares (but not the Series A Special Shares) are converted into or exchanged for securities, cash or other property (other than a transaction covered by Section 9(b)), then, following any such amalgamation, arrangement, consolidation, merger, recapitalization, reclassification or reorganization, each Series A Special Shares shall thereafter be convertible in lieu of the Common Shares into which it was convertible prior to such event into the kind and amount of securities, cash or other property that a holder of the number of Common Shares issuable upon conversion of one Series A Special Shares immediately prior to such amalgamation, arrangement, consolidation, merger, recapitalization, reclassification or reorganization would have been entitled to receive pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the board of directors of the Corporation) shall be made in the application of the provisions in this Section 9 with respect to the rights and interests thereafter of the holders of the Series A Special Shares, to the end that the provisions set forth in this Section 9 (including provisions with respect to changes in and other adjustments of the Conversion Price) shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of the Series A Special Shares.

e) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Conversion Price pursuant to this Section 9, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than 10 days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of Series A Special Shares a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which the Series A Special Shares are convertible) and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of Series A Special Shares (but in any event not later than 10 days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (i) the Conversion Price then in effect, and (ii) the number of Common Shares and the amount, if any, of other securities, cash or property that then would be received upon the conversion of Series A Special Shares.

f) Notice of Record Date. In the event:

i. the Corporation shall take a record of the holders of its Common Shares (or other shares or securities at the time issuable upon conversion of the Series A Special Shares) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares in the capital of the Corporation of any class or any other securities, or to receive any other security; or

ii. of any capital reorganization of the Corporation, any reclassification of the Common Shares,

then, and in each such case, the Corporation will send or cause to be sent to the holders of the Series A Special Shares a notice specifying, as the case may be, (i) the record date for such dividend, distribution or right, and the amount and character of such dividend, distribution or right, or (ii) the effective date on which such reorganization, reclassification is proposed to take place, and the time, if any is to be fixed, as of which the holders of record of Common Shares (or such other shares in the capital of the Corporation or securities at the time issuable upon the conversion of the Series A Special Shares) shall be entitled to exchange their Common Shares (or such other shares in the capital of the Corporation or securities) for securities or other property deliverable upon such reorganization, reclassification and the amount per share and character of such exchange applicable to the Series A Special Shares and the Common Shares. Such notice shall be sent at least 10 days prior to the record date or effective date for the event specified in such notice.

g) Other Action. If the Corporation, after the Original Issue Date, shall take any action affecting the Common Shares other than the actions described in this Section 9, which, in the opinion of the board of directors of the Corporation would adversely affect the rights of the Series A Special Share, then the Conversion Price shall be adjusted in such manner, if any, and at such time, by action of the board of directors of the Corporation, in their discretion as they may reasonably determine to be equitable to the Holders in such circumstances, subject to the prior consent of the TSX or any other exchange on which the Corporation's securities are then listed.

h) Adjustments Cumulative. The adjustments provided in this Section 9 shall be cumulative and such adjustments shall be made successively whenever an event referred to herein shall occur.

Section 10. Tax Matters

In connection with the conversion of any Series A Special Shares into Common Shares and the retraction of any Series A Special Shares:

a) a Holder that is a non-resident of Canada within the meaning of the *Income Tax Act* (Canada) (the "Tax Act") shall take all reasonable steps to obtain and deliver to the Corporation on or before the Conversion Date or Retraction Date, as applicable, a certificate issued by the Minister of National Revenue under subsection 116(2) of the Tax Act. If the Holder does not deliver such certificate issued by the Minister of National Revenue acceptable to the Corporation on or before the Conversion Date or Retraction Date, as applicable, the Corporation shall be entitled to withhold an amount equal to twenty-five percent (25%) of the Conversion Amount, which in the case of a conversion of the Series A Special Shares, shall result in the Corporation retaining 25% of the Common Shares being issued on the conversion. If the Corporation has not received either a section 116 certificate or a comfort letter issued by the Canada Revenue Agency extending the time period under which the Corporation is required to remit an amount in respect of the Conversion Amount on behalf of the Holder without being subject to interest and penalties, on or before the 27th day after the end of the month in which the Conversion Date or Retraction Date, as applicable, occurs, the Corporation shall remit the withheld amount to the Receiver General for Canada in accordance with section 116 of the Tax Act;

b) any amount paid by the Corporation to the Receiver General for Canada under this Section shall be credited to the Corporation as a payment to the Holder on account of the Conversion Amount;

c) any amount withheld by the Corporation in connection with a redemption or retraction of Series A Special Shares under this Section shall be paid to and held by the Corporation, in trust, and invested by it for the benefit of the Holder in an interest bearing instrument, in such manner as the Holder shall from time to time direct in writing until paid to the Holder (together with any interest earned thereon, less any applicable withholding tax) or remitted to the Receiver General for Canada for the account of the Holder in accordance with this Section; and

d) for certainty, the Corporation may take such steps as is reasonable in the circumstances that it considers necessary or appropriate for the deduction or withholding of any income taxes which the Corporation may be liable for under section 116 of the Tax Act, including, without limiting the generality of the foregoing, (i) withholding of all or any portion of any amount otherwise payable as the Conversion Amount; and (ii) in the case of a conversion, withholding and causing to be sold, by it as agent on behalf of a Holder in compliance with all applicable laws, such number of Common Shares as it reasonably determines to be necessary to satisfy its section 116 liability. The Holder authorizes the Corporation to effect the sale of such Common Shares on behalf of the Holder and to remit the appropriate amount to the Receiver General for Canada, provided that such sale shall not occur more than five days before the last date on which the Corporation shall be required to remit the withheld amount to the Receiver General for Canada. The Corporation shall not be responsible for obtaining any particular price for the Common Shares although it shall be required to consult with the Holder on any such sale and shall use its reasonable efforts to maximize the proceeds of any such sale.

Section 11. Change of Control without Shareholder Approval

a) In the event the Shareholder Approval is not obtained on or before July 4, 2019 and the 20% Restriction or the 10% Insider Restriction applies, then if there is an announcement of a proposed Change of Control that is supported or recommended by the Corporation (such date of announcement being the "Change of Control Date") the Corporation shall, at the same time it would otherwise deliver share certificates for conversion of the Series A Special Shares, make a cash payment, by way of certified cheque, bank draft or wire transfer and free of any withholding, for any Series A Special Shares converted if but only to the extent the conversion of any such Series A Special Shares would result in the holder and its Affiliates not complying with the 20% Restriction or the 10% Insider Restriction.

b) For these purposes, the cash payment per Series A Special Share shall be calculated as the "Fair Market Value" of the Common Shares at the Change of Control Date, and shall be determined as the weighted average closing price per Common Share for the five (5) consecutive trading days immediately before such date on the Toronto Stock Exchange or the principal stock exchange or over-the-counter market as the Common Shares may then be listed or quoted (as the case may be), or, if the shares in respect of which a determination of Fair Market Value is being made are not listed on any stock exchange or quoted for trading by a recognized over-the-counter market, the Fair Market Value shall be determined by an independent brokerage or accounting firm with appropriate relevant experience selected by the Corporation in good faith.

c) For the avoidance of doubt, if, after the Change of Control Date, the Holder converts any Series A Special Shares that would result in the Holder exceeding the 20% Restriction or the 10% Insider Restriction, the Corporation will issue Common Shares to the Holder such that the Holder will own one share less than would otherwise exceed the 20% Restriction or the 10% Insider Restriction, as applicable, and the remaining Series A Special Shares elected to be converted shall be subject to the foregoing cash payment.

Section 12. Miscellaneous.

a) Notices. Any notice required or permitted hereunder to be given to a holder of Series A Special Shares shall be given in the manner set out in the By-Laws of the Corporation.

b) Lost or Mutilated Series A Special Share Certificate. If a Holder's Series A Special Shares certificate shall be mutilated, lost, stolen or destroyed, the Corporation shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated certificate, or in lieu of or in substitution for a lost, stolen or destroyed certificate, a new certificate for the Series A Special Shares so mutilated, lost, stolen or destroyed but only upon receipt of evidence of such loss, theft or destruction of such certificate, and of the ownership hereof, and indemnity, if requested, all reasonably satisfactory to the Corporation.

c) Waiver. Any waiver by the Corporation or the Holder of a breach of the provisions of the Series A Special Shares shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provisions of the Series A Special Shares. The failure of the Corporation or the Holder to insist upon strict adherence to any term of the provisions of the Series A Special Shares on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of the provisions of the Series A Special Shares. Any waiver must be in writing.

d) Next Business Day. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

e) Transfers. Series A Special Shares shall be transferable in whole or in part by the Holder or Holders thereof.

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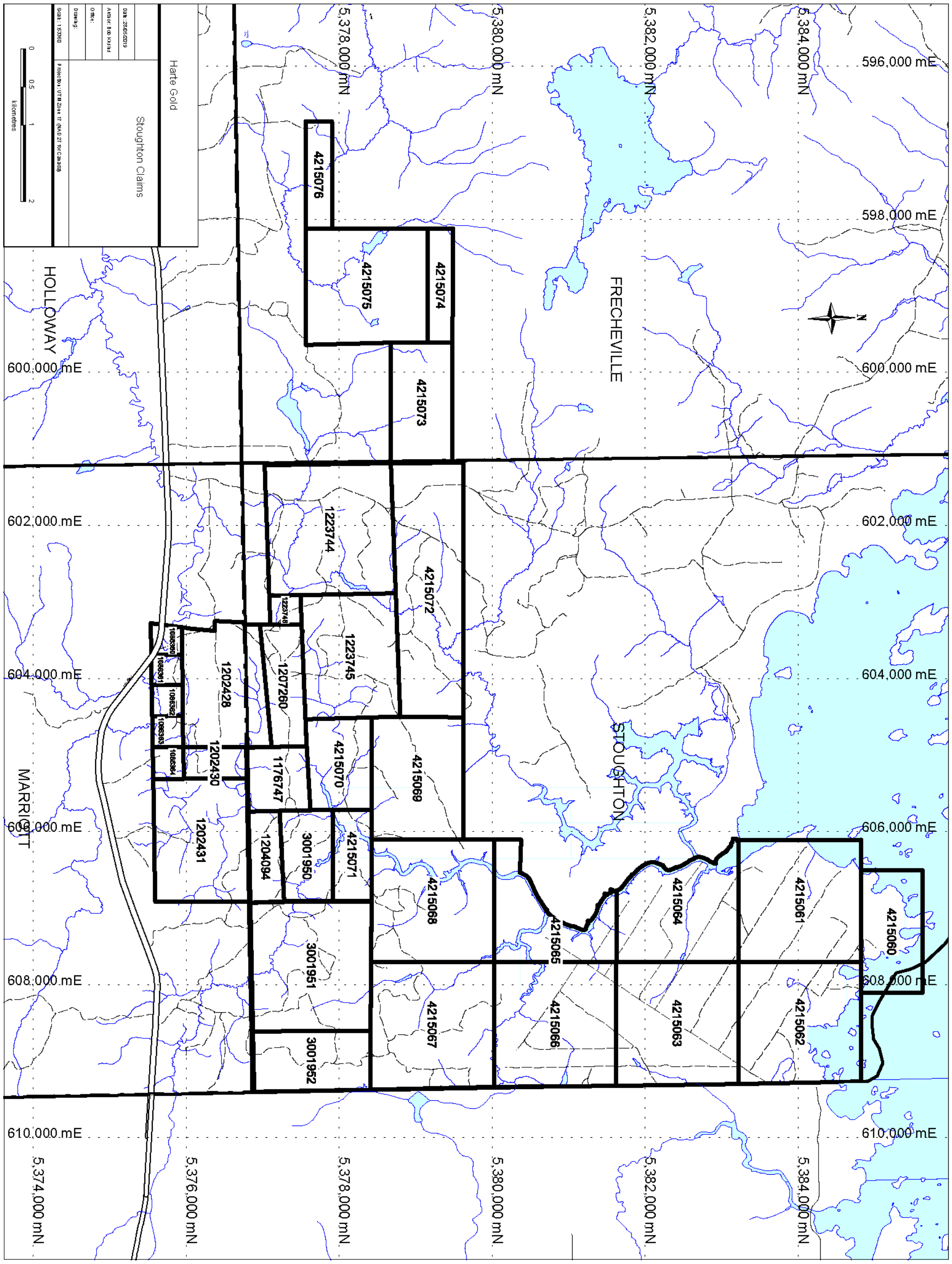
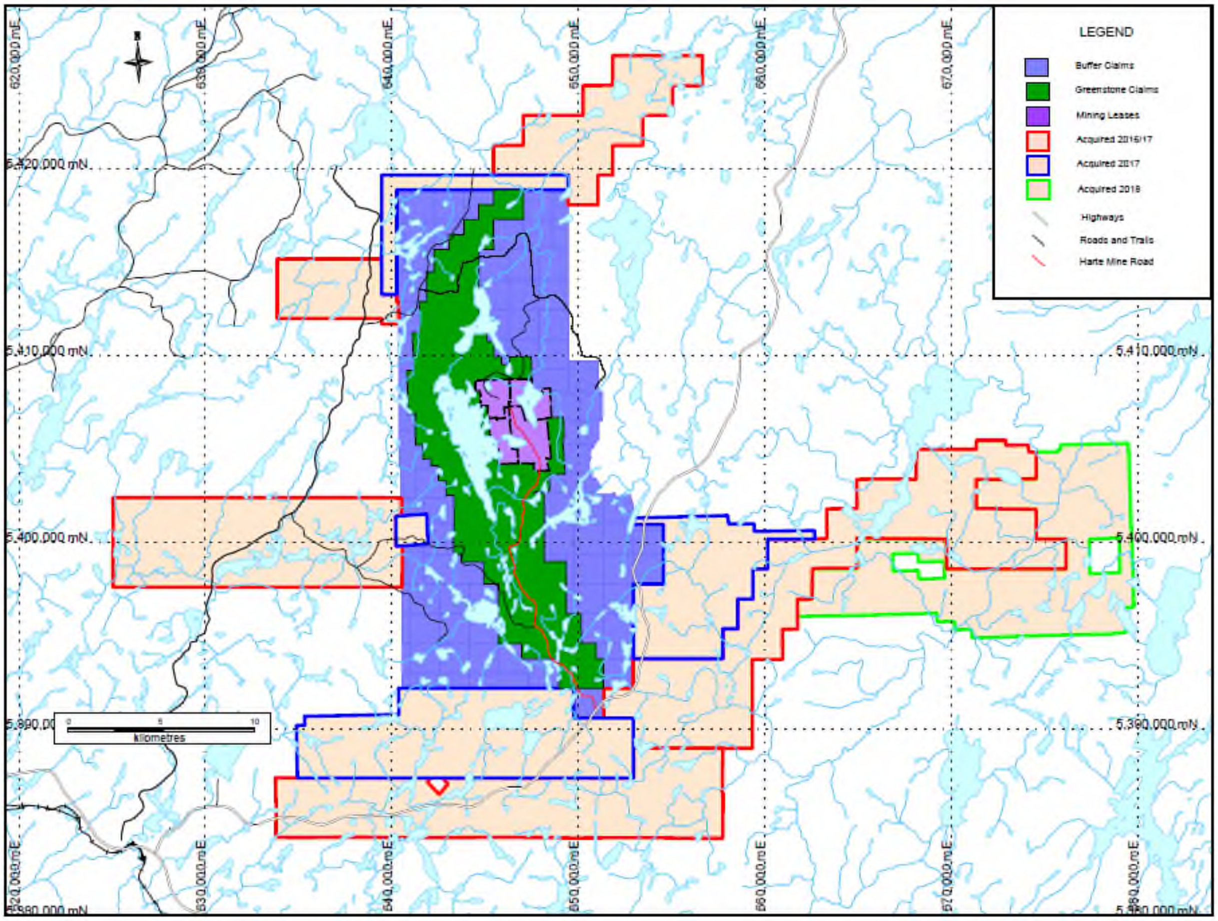
Schedule “C”

STOUGHTON-ABITIBI PROPERTY



Schedule “D”

SUGAR ZONE PROPERTY



Schedule "E"

NEW WARRANTS

See attached.

No. 2019 JUNE 001 **5,000,000 Warrants**
Void After June ___, 2024

COMMON SHARE PURCHASE WARRANTS

HARTE GOLD CORP.

THIS IS TO CERTIFY THAT, for value received, **ANR INVESTMENTS B.V.** (the "**Warrant Holder**") shall have the right to purchase from **HARTE GOLD CORP.** (the "**Company**"), upon and subject to the terms and conditions hereinafter referred to, up to five million (5,000,000) fully paid and non-assessable common shares of the Company at the price of **$0.27** (subject to the receipt of shareholder approval of such price otherwise the price shall be **$0.282**) per common share in lawful money of Canada at any time up to 5:00 p.m. (Toronto time) on **June , 2024** as may be adjusted hereunder. Upon expiration, the warrants shall be of no value if unexercised.

Subject to the terms and conditions annexed hereto which shall be deemed to be incorporated herein, the right to purchase common shares of the Company may only be exercised by the Warrant Holder within the time hereinbefore set out by: (a) duly completing and executing the subscription form attached hereto, in the manner therein indicated; (b) surrendering this warrant certificate to the Company at the Company’s head office (being 1700 - 8 King Street East, Toronto, Ontario, M5C 1B5 at the date hereof); and (c) paying the appropriate purchase price for the common shares of the Company subscribe for, either in cash or by certified cheque, bank draft or wire transfer payable to "HARTE GOLD CORP." at par in Toronto, Ontario.

Upon surrender and payment, the Company will issue to the Warrant Holder the number of common shares subscribed for. Within five business days of surrender and payment the Company will mail to the Warrant Holder a certificate evidencing the common shares subscribed for. If the Warrant Holder subscribes for a lesser number of common shares than the number of shares permitted by this warrant certificate, the Company shall forthwith cause to be delivered to the Warrant Holder a further warrant certificate in respect of the common shares referred to in this warrant certificate but not subscribed for.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THIS SECURITY BEFORE OCTOBER __, 2019. ANY COMMON SHARES ACQUIRED BY EXERCISE PRIOR TO OCTOBER __, 2019 WILL BE SUBJECT TO RESALE RESTRICTIONS IN CANADA UNTIL THAT DATE AND WILL BEAR THE ABOVE-NOTED LEGEND TO THIS EFFECT.

IN WITNESS WHEREOF THE COMPANY has caused this warrant certificate to be issued by its duly authorized agent as of the __ day of June, 2019.

HARTE GOLD CORP.

Per: ______________________________________
Timothy N. Campbell
Executive Vice President & Corporate Secretary

TERMS AND CONDITIONS OF COMMON SHARE PURCHASE WARRANTS OF HARTE GOLD CORP.

1. All share purchase warrants shall be signed by the President or a Vice-President or by the Secretary or an Assistant Secretary of the Company holding office at the time of signing and notwithstanding any change in any of the persons holding said offices between the time of actual signing and the delivery of share purchase warrants and notwithstanding that the President or Vice-President or Secretary or Assistant Secretary signing may not have held office at the date of the delivery of the share purchase warrants, the share purchase warrants so signed shall be valid and binding upon the Company.

2. All rights under any of the share purchase warrants in respect of which the right of subscription and purchase therein provided for shall not theretofore have been exercised shall wholly cease and such share purchase warrants shall be wholly void and of no value or effect after the expiry date set forth on the face of the share purchase warrant.

3. The holder of any share purchase warrant who desires to exercise the right of purchase therein provided for shall deliver the warrant certificate to the Company at the Company's head office (being 1700 - 8 King Street East, Toronto, Ontario, M5C 1B5 at the date hereof) together with a subscription form duly signed by such holder for the number of shares which such holder is entitled and desires to purchase and the purchase price applicable at the time of such delivery of the shares so desired to be purchased calculated in accordance with the provisions hereof. To the extent that a warrant confers the right to purchase a fraction of a share such right may only be exercised in respect of such fraction in combination with another warrant, which in the aggregate entitle the bearer to purchase a whole number of shares.

4. Upon such delivery and payment as aforesaid, the Company shall cause to be issued to the holder hereof the number of shares of the Company to be issued and the holder hereof shall become a shareholder or shareholders of the Company in respect of such shares with effect from the date of such delivery and payment and shall be entitled to delivery of a certificate or certificates evidencing such shares and the Company shall cause such certificate or certificates to be mailed to the holder hereof at the address or addresses specified in such subscription within five (5) days of such delivery and payment as herein provided.

The share purchase warrants may be exercised if and only to the extent the exercise of any such share purchase warrants would not result in the holder and its Affiliates beneficially owning 20% or more of the outstanding common shares of the Company (the "**20% Restriction**") or if the number of common shares of the Company to be issued upon the exercise of such share purchase warrants, aggregated with any common shares of the Company issued upon the conversion of any series A special shares of the Company which Series A special shares were issued concurrently with the share purchase warrants, exceeds 54,402,460 common shares of the Company (the "**10% Insider Restriction**"). However, the Company has agreed to seek shareholder approval at its upcoming shareholder meeting scheduled for July 4, 2019 to permit the holder and its Affiliates to hold 20% or more of the outstanding common shares of the Company and to issue more common shares than permitted under the 10% Insider Restriction (the "**Company Shareholder Approval**"). Upon that Company Shareholder Approval being obtained, the holder may exercise the share purchase warrants pursuant to the terms of this warrant certificate without regard for the 20% Restriction or the 10% Insider Restriction, but subject to any other restrictions agreed upon with the Company.

In the event the Company Shareholder Approval is not obtained on or before July 4, 2019 and the 20% Restriction or the 10% Insider Restriction applies, then if there is an announcement of a proposed Change of Control of the Company that is supported or recommended by the Company (such date of announcement being the "**Change of Control Date**") the Company shall, at the same time share certificates are to be delivered hereunder, cash settle, by way of certified cheque, bank draft or wire transfer and free of any withholding, any share purchase warrants exercised if but only to the extent the exercise of any such share purchase warrants would result in the holder and its Affiliates not complying with the 20% Restriction or the 10% Insider Restriction.

For these purposes, cash settlement per common share of the Company shall be calculated as the amount by which the Fair Market Value of a common share of the Company as of the date of exercise of the applicable share purchase warrant exceeds the exercise price $0.27 (subject to the receipt of shareholder approval of such price otherwise the price shall be $0.282), as may be adjusted hereunder, plus any other securities or property payable hereunder. For the avoidance of doubt, if, after the Change of Control Date, the holder exercises any share purchase warrants that would result in the holder and its Affiliates beneficially owning common shares of the Company that would result in the holder and its Affiliates exceeding the 20% Restriction or the 10% Insider Restriction, the Company will issue common shares to the holder such that the holder and its Affiliates will own one share less than would otherwise exceed the 20% Restriction or the 10% Insider Restriction, as applicable, and the remaining exercised share purchase warrants shall be subject to the foregoing cash settlement.

For the purpose of these terms and conditions: "Affiliate" means , with respect to a specified person, another person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the person specified and, and, in the case of the ANR Investments B.V., also includes Appian Capital Advisory LLP and its respective Affiliates and any investment fund advised or managed by any of them; "Change of Control" means the acquisition by any person, or group of persons, other than the holder and/or its Affiliates, acting jointly or in concert, of voting Control or direction of an aggregate of 50% or more of the outstanding common shares, or (ii) more than 50% of the consolidated assets of the Company; "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person, whether through the ability to exercise voting power, by contract or otherwise and "Controlling" and "Controlled" have corresponding meanings; "Fair Market Value" of the common shares of the Company at any date shall be determined as the weighted average closing price per common share of the Company for the five (5) consecutive trading days immediately before such date on the Toronto Stock Exchange or the principal stock exchange or over-the-counter market as the common shares of the Company may then be listed or quoted (as the case may be), or, if the shares in respect of which a determination of Fair Market Value is being made are not listed on any stock exchange or quoted for trading by a recognized over-the-counter market, the Fair Market Value shall be determined by an independent brokerage or accounting firm with appropriate relevant experience selected by the Company in good faith; and "person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority or other entity.

5. The holding of a share purchase warrant shall not constitute the holder thereof a shareholder of the Company nor entitle it to any right or interest in respect thereof except as herein and in the share purchase warrants expressly provided.

6. The Company covenants and agrees that until the expiry date while any of the share purchase warrants shall be outstanding, it shall reserve and there shall remain unissued out of its authorized capital a sufficient number of shares to satisfy the right of purchase herein provided for should the holders of all the share purchase warrants at any time outstanding determine to exercise such right in respect of all the shares for the time being called for by such outstanding share purchase warrants. All shares which shall be issued upon the exercise of the right to purchase herein provided for, upon payment therefor of the amount at which such shares may at the time be purchased pursuant to the provisions hereof, shall be issued as fully paid and non-assessable shares and the holders thereof shall not be liable to the Company or its creditors in respect thereof. The Company further covenants and agrees it will use its commercially reasonable efforts to (i) ensure that all shares of the Company outstanding or issuable from time to time continue to be or are listed and posted for trading on the Toronto Stock Exchange or such other exchange satisfactory to the Board of Directors of the Company and (ii) make all requisite filings under applicable Canadian securities legislation including those necessary to remain a reporting issuer not in default in the provinces where it is a reporting issuer, as that term is defined in the securities legislation of that jurisdiction.

7. The Company covenants and agrees that so long as any of the share purchase warrants are outstanding it will not up to and including thirty (30) days preceding the expiry date:

a) give rateably to holders of its share rights to subscribe for additional shares; or
b) pay any dividend on any outstanding shares in the capital of the Company payable in shares in the capital of the Company or any dividend on shares of the same class as those then issuable pursuant to the warrants; or
c) subdivide, re-divide, consolidate, change or reclassify any shares in the capital of the Company; or
d) increase its authorized capital; or
e) consolidate, amalgamate or merge the Company with any other company or corporation; or
f) sell or lease the whole or substantially the whole of the assets of the Company to any other company or corporation,

until it shall have given at least fifteen (15) days' notice of its intention so to do and of the particulars of the right to subscribe for additional shares and/or of such dividend and/or of such subdivision, re-division, consolidation, change or reclassification or increase in authorized capital and/or of the general terms of such consolidation, amalgamation, merger or sale or lease, by notice to the holder hereof. The Company further covenants and agrees that it will not during the period of such notice as aforesaid close its share transfer books or take any other corporate action which might deprive the holder of any share purchase warrant of the opportunity of exercising the right to participate as a shareholder in any such rights or dividends or such other proposed action as aforesaid; provided always that nothing contained in this clause shall be deemed to affect the right of the Company to do or take part in any of the things referred to above in this clause nor to pay cash dividends on the shares of any class or classes in its capital from time to time outstanding nor (subject to the provisions of clause 6 hereof) to issue any of its authorized but unissued shares in its capital or be deemed to require the Company to give any notice of intention to pay any such cash dividends on any shares other than shares of the same class as those then issuable pursuant to the warrants or to issue any of such unissued shares.

8. In the event of any subdivision, re-division or change of the Company at any time while any share purchase warrant is outstanding into a greater number of shares, the Company shall thereafter deliver at the time of purchase of shares under share purchase warrants, in lieu of the number of shares

in respect of which the right to purchase is then being exercised, such greater number of shares of the Company as would result from said subdivision, re-division or change had the right of purchase been exercised before such subdivision, re-division or change without the subscriber making any additional payment or giving any other consideration therefor.

In the event of any consolidation of the shares of the Company at any time while any share purchase warrant is outstanding into a lesser number of shares, the Company shall thereafter deliver, and the subscribers under share purchase warrants shall accept, at the time of purchase of shares under share purchase warrants, in lieu of the number of shares in respect of which the right to purchase is then being exercised, such lesser number of shares of the Company as would result from such consolidation had the right of purchase been exercised before such consolidation.

In the event of any reclassification of the shares of the Company or change of the shares into other shares or other securities, or in case of the consolidation, merger, arrangement, reorganization or amalgamation of the Company with or into any other person which results in any reclassification of the shares or a change of the shares into other shares or other securities (any such event, a “Reclassification of Shares”) at any time while any share purchase warrant is outstanding, the Company shall thereafter deliver at the time of purchase of shares under share purchase warrants the number of shares of the Company of the appropriate class or classes resulting from said Reclassification of Shares as the subscriber would have been entitled to receive in respect of the number of shares in respect of which the right to purchase is then being exercised had the right of purchase been exercised before such Reclassification of Shares.

If the Company, at any time while any share purchase warrant is outstanding. shall pay any dividend in shares or other securities or property upon shares of the Company of the class or classes in respect of which the right to purchase is then given under the share purchase warrants, then the Company shall thereafter deliver at the time of purchase of shares of the Company under share purchase warrants, in addition to the number of shares in respect of which the right of purchase is then being exercised, the additional number of shares or other securities or property of the appropriate class or classes as would have been payable on the shares of the Company so purchased if the shares so purchased had been outstanding on the record date for the payment of the said dividend.

If and whenever at any time prior to expiration of the share purchase warrants, the Company shall fix a record date for the issuance of rights, options or warrants to all or substantially all the holders of common shares entitling them, for a period expiring not more than 45 days after such record date, to subscribe for or purchase common shares of the Company or securities convertible into common shares of the Company (“Convertible Securities”) at a price per share (or having a conversion or exchange price per share) of less than 95% of the Fair Market Value (as defined above in clause 4) of the common shares on such record date (any such event, a “Rights Offering”), the exercise price of the share purchase warrants shall be adjusted immediately after such record date so that it shall equal the price determined by multiplying the exercise price in effect on such record date by a fraction:

(i) the numerator of which shall be the aggregate of: (A) the number of common shares of the Company outstanding on such record date; and (B) a number determined by dividing whichever of the following is applicable by the Fair Market Value of the common shares on the record date: (1) the amount obtained by multiplying the number of common shares which the holders of common shares are entitled to subscribe for or purchase by the subscription or purchase price; or (2) the amount obtained by multiplying the maximum number of common shares which the holders of common shares are entitled to receive on the conversion or exchange of the Convertible Securities by the conversion or exchange price per share; and

(ii) the denominator of which shall be the aggregate of: (A) the number of common shares outstanding on such record date; and (B) whichever of the following is applicable: (1) the number of common shares which the holders of common shares are entitled to subscribe for or purchase; or (2) the maximum number of Shares which the holders of common shares are entitled to receive on the conversion or exchange of the Convertible Securities.

To the extent that such Rights Offering is not so made or any such rights, options or warrants are not exercised prior to the expiration thereof, the exercise price of the share purchase warrants shall then be readjusted to the exercise price which would then be in effect if such record date had not been fixed or if such expired rights, options or warrants had not been issued.

The adjustment in the number of shares issuable pursuant to the rights attaching to the warrants or the exercise price of the warrants provided for in this clause 8 shall be cumulative.

On the happening of each and every such event the applicable provisions of the share purchase warrants and each of them shall, ipso facto, be deemed to be amended accordingly and the Company shall take all necessary action so as to comply with such provisions as so amended.

At least 10 business days prior to the effective date or record date, as the case may be, of any event which requires an adjustment in this share purchase warrant, including the number and classes of shares or other securities or property which are to be received upon the exercise thereof, the Company shall give notice to the holder of the particulars of such event and the required adjustment. In case any adjustment for which such notice has been given is not determinable, the Company shall promptly after such adjustment is determinable notify the holder of the adjustment and the computation of the adjustment.

In the event of any question arising with respect to the adjustments provided in this share purchase warrant, such question shall conclusively be determined by a firm of chartered accountants with appropriate relevant experience appointed by the Company in good faith (who may be the Company's independent external auditors). Such accountants shall have access to all necessary records of the Company and such determination shall be binding upon the Company and the holder.

9. The Company shall not be required to deliver certificates for shares while the share transfer books of the Company are properly closed, having regard to the provisions of clause 7 hereof, prior to any meeting of shareholders or for the payment of dividends or for any other purpose and in the event of the surrender of any share purchase warrant in accordance with the provisions hereof and the making of any subscription and payment for the shares called for thereby during any such period delivery of certificates for shares may be postponed for not exceeding five (5) days after the date of the re-opening of said share transfer books. Provided however that any such postponement of delivery of certificates shall be without prejudice to the right of the holders of share purchase warrants so surrendering the same and making payment during such period to receive such certificates for the

shares called for after the share transfer books shall have been re-opened.

10. Subject as hereinafter provided, all or any of the rights conferred upon the holders of any of the share purchase warrants by the term of such share purchase warrants may be enforced by the holders of such share purchase warrants by appropriate legal proceedings. No recourse under or upon any obligation, covenant or agreement contained herein or in any of the share purchase warrants issued hereunder shall be had against any shareholder, officer or director of the Company either directly or through the Company, it being expressly agreed and declared that the obligations under the said share purchase warrants are solely corporate obligations and that no personal liability whatever shall attach to or be incurred by the shareholders, officers or directors of the Company or any of them in respect thereof, any and all rights and claims against every such shareholder, officer or director being hereby expressly waived as a condition of and as a consideration for the issuer of the share purchase warrants.

11. The holder hereof may subscribe for and purchase any lesser number of shares than the number of shares expressed in the warrant certificate. In the case of any subscription for a lesser number of shares than expressed in the warrant certificate the holder hereof shall be entitled to receive, and the Company shall forthwith cause to be delivered to the holder. a new warrant certificate in respect of the balance of such shares not then subscribed for.

12. If any share purchase warrant becomes stolen, lost, mutilated or destroyed the Company may, on such terms as it may in its discretion impose, respectively issue and countersign a new share purchase warrant of like denomination, tenor and date as the share purchase warrant so stolen, lost, mutilated or destroyed.

13. All notices to be sent hereunder shall be deemed to be validly given to the holders of the share purchase warrants if delivered personally or if sent by prepaid courier to such holders at their addresses appearing in the register of warrant holders to be maintained by the Company, and such notice shall be deemed to have been given, if delivered personally when so delivered, and if sent by courier on the second business day next following the posting thereof.

14. The share purchase warrants shall be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as legal contracts under the laws of Ontario.

15. The share purchase warrants may be transferred by the holder in whole or in part in accordance with applicable securities laws.

SUBSCRIPTION FORM

TO: HARTE GOLD CORP.
[1700 - 8 King Street East]
Toronto, Ontario
M5C 1B5

Dear Sirs:

The undersigned hereby exercises the right to purchase and hereby subscribes for __________________________ common shares in the capital stock or **HARTE GOLD CORP.** referred to in the warrant certificate surrendered herewith according to the conditions thereof and herewith makes payment by cash, certified cheque, bank draft or wire transfer of $________________________ in lawful money of Canada being the purchase price in full for the said shares.

Please issue a certificate for the shares being purchased as follows in the name of the undersigned:

NAME: ____
(please print)

ADDRESS: ____

____

Please deliver the aforementioned share certificate and, if applicable, a warrant certificate in respect of the common shares referred to in the warrant certificate surrendered herewith but not presently subscribed for, to the undersigned as follows:

NAME: ____
(please print)

ADDRESS: ____

____

DATED this _____________ day of ______________________, _______.

____
SUBSCRIBER

Schedule “F”

NEW ROYALTY

[Redacted]

Schedule “G”

FACILITY EXTENSION

[Redacted]