Execution Version

SENIOR SECURED METAL PREPAY AGREEMENT

Dated as of October 1, 2014

among

FORTUNE REVENUE SILVER MINES, INC.

as Seller

FORTUNE MINERALS LIMITED

as Guarantor

and

LRC-FRSM LLC

as Buyer

TABLE OF CONTENTS

Page

A/76303147.19

TABLE OF CONTENTS
(continued)

TABLE OF CONTENTS
(continued)

SENIOR SECURED METAL PREPAY AGREEMENT

This SENIOR SECURED METAL PREPAY AGREEMENT (this "**Agreement**") is dated as of October 1, 2014 (the "**Effective Date**") and entered into by and between FORTUNE REVENUE SILVER MINES, INC., a corporation organized and existing under the laws of the State of Colorado, as seller ("**Fortune Revenue**", and together with all current and future Subsidiaries and any other Person through which Fortune Revenue now or hereafter owns or controls any interests in Mineral Properties "**Seller**"), FORTUNE MINERALS LIMITED ("**Fortune**"), a corporation organized and existing under the laws of the Province of Ontario, as guarantor, and, each person that accedes to the terms of this Agreement from time to time, as a guarantor (together with Fortune, each, a "**Guarantor**") and LRC-FRSM LLC, a limited liability company organized and existing under the laws of the Delaware, as the Buyer (the "**Buyer**").

RECITALS

WHEREAS the Seller has requested, and the Buyer has agreed, to provide a metal prepay facility to the Seller in two tranches, in an aggregate principal amount of $35,000,000, (the "**Metal Prepay Facility**"), subject to the terms and conditions provided for herein;

WHEREAS the Seller shall use the proceeds of the Metal Prepay Facility to consummate the Acquisition, for working capital and for other capital investments as described herein;

WHEREAS it is the intention of the parties that the Metal Prepay Facility shall be amortized by the delivery of Metal, interest on advances outstanding under the Metal Prepay Facility shall be paid in cash, and the Buyer shall receive other payments based on the shipment of Materials, as provided for herein;

NOW, THEREFORE, in consideration of the following mutual covenants and agreements and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Defined Terms.

As used in this Agreement, the following terms have the following meanings:

"**2011 Stock Purchase Agreement**" means the 2011 Stock Purchase Agreement as defined in the Asset Purchase Agreement.

"**Acquisition**" means the acquisition of the Project by the Seller as contemplated by the Asset Purchase Agreement.

"**Advance Notice**" means a written request by the Seller for the advance of the Metal Prepay Facility pursuant to Section 2.3, which shall include all of the information referenced in Section 2.3 and a certification from the Seller, substantially in the form of Exhibit A hereto.

"**Advances Outstanding**" means the aggregate principal amount advanced under Tranche 1 and Tranche 2 outstanding and owning, at any time and from time to time, under the Metal Prepay Facility. Advances Outstanding at the end of each month will be determined in accordance with the following formula: Advances Outstanding (end of month) = Advances Outstanding (beginning of month) plus the aggregate principal amount advanced since the beginning of the month, if any, minus the sum of the following dollar amounts:

Formula deleted

[redacted]

"**Affairs**" means the business, affairs, operations, undertaking, property, assets, liabilities, condition (financial or otherwise), prospects, performance and results of operations of a specified Person.

"**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.

"**Agreed Priority**" means, with respect to a Security Document and a Lien made in favor of the Buyer, a senior, first priority Lien in favor of the Buyer, prior in right to any other Lien in, on, or to the Collateral which is purported to be covered thereby, subject only, in each case, to Permitted Liens.

"**Agreement**" has the meaning given such term in the Preamble.

"**Applicable Law**" means any international treaty, any domestic or foreign constitution or any supranational, national, regional, federal, provincial, territorial, state, municipal, tribal or local statute, law, ordinance, code, rule, regulation, order (including any consent decree or administrative order), applicable to, or any directive, guideline, policy or Authorization of any Governmental Entity (whether or not having the force of law) having jurisdiction with respect to any specified Person, property, transaction or event, and any order, judgment, award or decree of any Governmental Entity, or arbitrator in any proceeding or action to which the Person in question is a party or by which such Person is bound.

"**Applicable Securities Legislation**" means all applicable securities laws of each of the Reporting Jurisdictions and in the United States and the respective rules and regulations under such laws together with applicable published fee schedules, prescribed forms, policy statements, national or multilateral instruments, orders, blanket rulings and other applicable regulatory instruments of the securities regulatory authorities in any of the Reporting Jurisdictions and in the United States and such other jurisdictions as may be agreed to between the Seller and the Buyer.

"**Asset Purchase Agreement**" means the Participating Interest and Asset Purchase Agreement dated as of May 1, 2014, among Revenue-Virginius Mines Corporation ("RVM"), Silver Star Resources, LLC ("SSR"), and Star Mine Operations, LLC, as sellers, Yankee Boy Resources, LLC, James D. Leake, Richard Frommer, SSR and RVM, as participating interest holders, Fortune Revenue, as buyer, and Fortune, as parent, as amended on July 31, 2014, August 19, 2014 and September 26, 2014.

"**Authorization**" means any authorization, approval, consent, certificate, exemption, license, permit, franchise, certification, registration or no-action letter from any Governmental Entity having jurisdiction with respect to any specified Person or its property.

"**Bankruptcy Law**" shall mean all Applicable Laws pertaining or applicable to bankruptcy, insolvency, debtor relief, debtor protection, liquidation, reorganization, winding up, arrangement, receivership, administration, moratorium, assignment for the benefit of creditors or other similar laws applicable in Canada, the United States or any other applicable jurisdictions as in effect from time to time.

"**Business Day**" means any day that is not a Saturday, Sunday, or other day on which commercial banks in New York City are authorized or required by law to remain closed.

"**Buyer**" has the meaning given such term in the Preamble.

"**Buyer's Accounts**" shall mean the account or accounts within the United States of America designated by the Buyer in writing from time to time.

"**Buyer's Counsel**" means Bingham McCutchen LLP and, at any time, any other legal counsel retained by the Buyer.

"**Capital or Operating Lease Obligation**" with respect to any Person, means the obligation of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital or operating leases under IFRS on the balance sheet of such Person and the amount of such obligations shall be the capitalized amount thereof determined in accordance with IFRS.

"**Change in Law**" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Entity or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Entity; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"**Change of Control**" means the occurrence of any of the following events:

(a) any person or group of persons "acting in concert" (as interpreted in accordance with Applicable Securities Legislation or under the equivalent thereof pursuant to Applicable Law) shall have acquired legal or beneficial ownership of, or the power to exercise control or direction over, any common shares of Fortune (or securities convertible into such common shares), that together with such person's existing securities would constitute common shares of Fortune representing more than 50% of the total voting power attached to all common shares of Fortune then outstanding;

(b) there is consummated any amalgamation, consolidation, statutory arrangement, merger or similar transaction of Fortune (1) in which Fortune is not the continuing or surviving corporation or (2) pursuant to which any common shares of Fortune would be reclassified, changed or converted into or exchanged for cash, securities or other property, other than (in each case) an amalgamation, consolidation, statutory arrangement, merger or similar transaction of the Fortune in which the holders of the common shares of the Fortune immediately prior to the amalgamation, consolidation, statutory arrangement, merger or similar transaction have, directly or indirectly, more than 50% of the common shares of the continuing or surviving corporation immediately after such transaction;

(c) any person or group of persons acting in concert shall succeed in having a sufficient number of its nominees elected as Directors such that such nominees, when added to any existing Directors after such election who was a nominee of or is an Affiliate or related Person of such Person or group of Persons, will constitute a majority of the Directors;

(d) any Key Person ceases to be an officer of Fortune or the Seller for any reason and a replacement satisfactory to Fortune and/or the Seller, as applicable, and the Buyer, acting reasonably, is not identified within [redacted]ays and appointed promptly thereafter; or

period deleted

(e) Fortune shall cease to directly or indirectly own 100% of the Equity Interests in the Seller.

"**Code**" means the Internal Revenue Code of 1986, as amended, and the rules and regulations thereunder.

"**Collateral**" means any and all real and personal property, assets, rights, titles and interests in respect of which the Buyer has or will have a Lien pursuant to a Security Document, whether tangible or intangible, presently held or hereafter acquired, and all products and proceeds of the foregoing, including insurance proceeds related to the foregoing. The collateral shall consist, without limitation, of (a) all real and personal assets of the Seller and (b) a pledge of Fortune's Equity Interests and any debt interests in the Seller.

"**Compliance Certificate**" means a certificate substantially in the form of Exhibit B attached hereto.

"**Concentrates Payments**" means payments by the Seller to the Buyer based on the tonnage of Material shipped from the Mining Properties.

"**Connection Income Taxes**" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"**Contaminant**" means any solid, liquid, gas, odor, heat, sound, vibration, radiation or combination of any of them that may (i) injure or damage property or plant or animal life, (ii) harm or cause a nuisance to any Person, (iii) adversely affect the health of any individual, (iv) impair the safety, of any individual, (v) render any property or plant or animal life unfit for use by humans, (vi) cause loss of enjoyment of normal use of property, or (vii) interfere with the normal course of business, and includes any "Contaminant" within the meaning assigned to such term (or any similar term) in any Environmental Law applicable to the Mineral Properties or any of the Credit Parties.

"**Contingent Liability**" means, with respect to a Person, any agreement, undertaking or arrangement by which the Person guarantees, endorses or otherwise becomes or is contingently liable upon (by direct or indirect agreement, contingent or otherwise, to provide funds for payment, to supply funds to, or otherwise to invest in a debtor, or otherwise to assure a creditor against loss) the obligation, debt or other liability of any other Person or guarantees the payment of dividends or other distributions upon the shares of any Person. The amount of any contingent liability will, subject to any limitation contained therein, be deemed to be the outstanding principal amount (or maximum principal amount, if larger) of the obligation, debt or other liability to which the contingent liability is related.

"**Control**" of any Person means the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to, directly or indirectly, (a) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of such Person; (b) appoint or remove all, or the majority, of the directors or other equivalent officers of such Person; or (c) otherwise direct or cause the direction of management of such Person.

"**Credit Documents**" means this Agreement, the Security Documents, any security agreement with respect to the Collateral, the Advance Notice, each Compliance Certificate, all financing statements, personal property security act filings and each other Instrument executed by the Seller or other Credit Party in connection with this Agreement or any of the foregoing Instruments, whether or not specifically identified in this clause, as any of the foregoing may be amended, modified, supplemented, extended or restated from time to time in accordance with their respective terms.

"**Credit Parties**" means, collectively, the Seller, Fortune and each other party that provides a guarantee of the Obligations hereunder, together with their permitted successors and assigns.

"**Default**" means an Event of Default or any event which, with the giving of notice or passage of time, or any combination of the foregoing, would constitute an Event of Default.

"**Default Rate**" means the interest rate per annum equal to the Interest Rate plus five percent.

"**Direct Agreement**" means a direct agreement entered into by a Credit Party, the counterparty to a Material Contract and the Buyer in respect of the assignment of the rights of the Credit Party and the exercise of step-in rights by the Buyer under such Material Contract, in form and substance satisfactory to the Buyer, acting reasonably.

"**Director**" means a director of a Credit Party and "**Directors**" means the board of directors of a Credit Party or, whenever duly empowered, a committee of the board of directors of a Credit Party, and reference to action by the Directors means action by the directors as a board or action by such a committee of the board as a committee.

"**Dollars**" and "**$**" means lawful money of the United States of America.

"**Effective Date**" has the meaning specified in the recitals hereto.

"**Environmental Claims**" means, all liabilities (including costs of remedial actions, natural resource damages and costs and expenses of investigation and feasibility studies, including the cost of environmental consultants and cost of legal payments) that may be imposed on, incurred by, or asserted against a Credit Party as a result of, or related to, any claim, suit, action, investigation, proceeding or demand by any Person, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law or otherwise, arising under any Environmental Law, any Release or threatened Release of Hazardous Materials, or in connection with any environmental, health or safety condition arising prior to or after the date hereof.

"**Environmental Laws**" means any Applicable Law relating to pollution or protection of the environment, ecology or public health or safety, including, Applicable Laws relating to emissions, discharges, Releases or threatened Releases of Hazardous Materials or other pollutants, Contaminants, chemicals, or industrial, toxic or hazardous substances or wastes into the environment (including, ambient air, surface water, ground water, land surface or subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, pollutants, Contaminants, chemicals or industrial, toxic or hazardous substances or wastes.

"**Equity Interests**" means, with respect to any Person, shares of capital stock of (or other ownership or profit interests in) such Person, warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including, without limitation, partnership, member or trust interests therein), whether voting or non-voting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations thereunder.

"**ERISA Affiliate**" means Seller and each of its Subsidiaries and any Person who together with Seller or any of its Subsidiaries is treated as a single employer within the meaning of Section 414(b), (c), (m) or (o) of the Code or Section 4001(b) of ERISA.

"**ERISA Event**" means the occurrence of any of the following: (a) a "Reportable Event" described in Section 4043 of ERISA for which the thirty (30) day notice requirement has not been waived by the PBGC occurs with respect to a Pension Plan, (b) the withdrawal of any ERISA Affiliate from a Pension Plan during a plan year in which it was a "substantial employer" as defined in Section 4001(a)(2) of ERISA or a cessation of operations by any ERISA Affiliate that is treated as such a withdrawal under Section 4062(e) of ERISA, (c) the termination of a Pension Plan, the filing of a notice of intent to terminate a Pension Plan or the treatment of a Pension Plan amendment as a termination, under Section 4041 of ERISA, if the plan assets are not sufficient to pay all plan liabilities, (d) the institution of proceedings to terminate, or the appointment of a trustee with respect to, any Pension Plan by the PBGC, (e) any other event or condition which would constitute grounds under Section 4042(a) of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan, (f) a failure to make any contributions to any Pension Plan or to pay any amounts due and owing to any Pension Plan as required by Sections 412 or 430 of the Code or Section 302 or 303 of ERISA on or prior to the due dates of such contributions, whether or not waived, (g) a failure by any ERISA Affiliate to make a required contribution or payment to a Multiemployer Plan, (h) the imposition of a Lien pursuant to Section 430(k) of the Code or Section 303 of ERISA on the property of any ERISA Affiliate, (i) the determination that any Pension Plan or Multiemployer Plan is considered to be "at-risk" or in endangered or critical status within the meaning of Sections 430, 431 or 432 of the Code or Sections 303, 304 or 305 of ERISA, (j) the partial or complete withdrawal of any ERISA Affiliate from a Multiemployer Plan if Withdrawal Liability is asserted by such plan, (k) any event or condition which results in the reorganization or insolvency of a Multiemployer Plan under Sections 4241 or 4245 of ERISA, (l) any event or condition which results in the termination of a Multiemployer Plan under Section 4041A of ERISA or the institution by the PBGC of proceedings to terminate a Multiemployer Plan under Section 4042 of ERISA, (m) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon any ERISA Affiliate; or (n) the imposition on any Credit Party of any material liability under any International Plan, other than liabilities for routine periodic contributions to or the administration of any such International Plan.

"**Event of Default**" has the meaning specified in Section 9.1.

"**Excess Monthly Production**" has the meaning specified in Section 4.1(a).

"**Excluded Taxes**" means any of the following Taxes imposed on or with respect to Buyer or required to be withheld or deducted from a payment to Buyer, (a) Taxes imposed on or measured by net income, net profits, capital (however denominated), including franchise Taxes, branch profits Taxes and similar Taxes, in each case, (i) imposed as a result of Buyer being organized under the laws of, or having its principal office or its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) U.S. federal withholding Taxes imposed on amounts payable to or for the account of Buyer with respect to an applicable interest in a Metal Prepay Facility or commitment hereunder pursuant to a law in effect on the date on which (i) Buyer acquires such interest in the

Metal Prepay Facility or commitment or (ii) Buyer changes its lending office, except in each case to the extent that, pursuant to Section 11.7, amounts with respect to such Taxes were payable to Buyer immediately before it changed its lending office, (c) Taxes attributable to Buyer's failure to comply with Section 11.7 and (d) any U.S. federal withholding Taxes imposed under FATCA.

"**Expropriation Event**" means the appropriation, confiscation, expropriation, cancellation, seizure or nationalization (by Applicable Law, intervention, court order, condemnation, exercise of eminent domain or other action or form of taking) of ownership or control of a Credit Party or of the Project, or any substantial portion thereof, or any substantial portion of the rights related thereto, or any substantial portion of the economic value thereof, or which prevents or interferes with the ability of a Person to own or operate the property subject to such action, including by the imposition of any Tax, fee, charge or royalty.

"**FATCA**" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code.

"**Financial Quarter**" means, in relation to each Credit Party, a period of three consecutive months in each Financial Year ending on March 31, June 30, September 30 and December 31, as the case may be, of such year.

"**Financial Year**" means, in relation to each Credit Party, its financial year commencing on January 1 of each calendar year.

"**Foreign Plan**" means any employee benefit plan (within the meaning of Section 3(3) of ERISA, whether or not subject to ERISA) that is not subject to U.S. law and is maintained or contributed to by the Seller or any Subsidiary of the Seller or in respect of which the Seller or any Subsidiary of the Seller otherwise has any obligation or liability, contingent or otherwise.

"**Fortune**" has the meaning given such term in the Preamble.

"**Fortune Security Agreement**" means the Security Agreement between the Fortune and the Buyer substantially as set forth as Exhibit E.

"**Full Prepayment Amount**" means, as at any date of determination, the aggregate of (i) the Repayment Units Due listed on Schedule 1.1(a) (or any revised Schedule 1.1(a) delivered by the Seller to the Buyer in accordance with Section 4.1 or Section 4.2), for the month in which such determination is being made and (ii) all subsequent Repayment Units Due.

"**General Corporate Facility of Fortune**" has the meaning specified in Section 2.4(a)(i)

"**Gold**" means payable gold as defined in the Offtake Agreements.

"**Gold Repayment Units**" means, the amount of Gold for each quarter during the Repayment Period as set out opposite such quarter in the column entitled "Au Repayment Units

Due" in Schedule 1.1(a), as applicable (or any revised Schedule 1.1(a) delivered by the Seller to the Buyer in accordance with Section 4.1 or Section 4.2).

"**Governmental Entity**" means (i) any multinational, national, federal, provincial, state, territorial, municipal, local, tribal, aboriginal, native or other government, governmental or public department, central bank, court, commission, board, bureau, agency, instrumentality or regulatory authority, domestic or foreign, (ii) any subdivision or authority of any of the foregoing, or (iii) any quasi-governmental or private body exercising any regulatory, judicial, expropriation or taxing authority under or for the account of any of the above (including the TSX).

period deleted

"**Grace Period**" means the period which commences on the Tranche 1 Closing Date and terminates [redacted] months thereafter.

"**Guarantor**" means Fortune and any Person which becomes a Guarantor in accordance with Section 8.1(z).

"**Hazardous Material**" means any substance or mixture of substances, or any pollutant or Contaminant, toxic or dangerous waste or hazardous material, as defined or listed in, or otherwise classified pursuant to, or give rise to liability under, any Environmental Law or applicable regulations, including any "**hazardous substance**", "**hazardous material**", "**hazardous waste**", "**toxic substance**", "**contaminant**", "**pollutant**" or any other similar formulation intended to define, list or classify substances by reason of deleterious properties such as ignitability, corrosiveness, reactivity, carcinogenicity, toxicity or dangerousness.

"**Hedging Agreement**" means (i) any currency exchange or interest rate swap agreement, currency exchange or interest rate cap agreement or currency exchange or interest rate collar agreements between any Credit Party and any other Person and (ii) all net forward sale, put/call options, spot deferred sale or other similar arrangement or agreement relating to the sale or purchase of any commodity.

"**Highly Liquid Securities**" means (a) short-term interest bearing or discount debt obligations (having a duration of no more than 90 days) of, or fully guaranteed as to timely payment of principal and interest by, the Government of the United States of America or a state thereof or the Government of Canada or a province thereof, provided that such obligation is rated at least "A+" by Standard & Poor's Rating Services, a division of the McGraw-Hill Companies, Inc., "Al" by Moody's Investors Service, Inc. or R1 (middle) by DBRS Inc.; (b) such commercial paper as is agreed to, in writing, from time to time by Buyer and Seller; and (c) certificates of deposit, notes or bankers acceptances (having a duration of no more than 90 days) with any chartered bank or trust company organized under the laws of United States of America or a state thereof or the laws of Canada or any province thereof, provided that the obligation is rated at least "A+" by Standard & Poor's Rating Services, a division of the McGraw-Hill Companies, Inc., "Al" by Moody's Investors Service, Inc. or R1 (middle) by DBRS Inc.

"**IFRS**" means the International Financial Reporting Standards, which are the accounting standards and interpretations adopted by the International Accounting Standards Board, consistently applied.

"**Indebtedness**" means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with IFRS:

(a) all indebtedness of such Person for borrowed money;

(b) all obligations of such Person for the deferred purchase price of property or services (other than (i) trade payables incurred in the ordinary course of business and not past due for more than 91 days after the date on which each such trade payable or account payable was created, and (ii) any earn-out, purchase price adjustment or similar obligation until such obligation appears in the liabilities section of the balance sheet of such Person);

(c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments;

(d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to Property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such Property);

(e) all Capital or Operating Lease Obligations of such Person;

(f) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interests in such Person or any other Person or any warrants, rights or options to acquire such Equity Interests, valued, in the case of redeemable preferred interests, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends;

(g) all obligations of such Person, contingent or otherwise, as an account party or applicant under acceptance, letter of credit or similar facilities in respect of obligations of the kind referred to in subsections (a) through (f) of this definition;

(h) all guaranties of such Person in respect of obligations of the kind referred to in subsections (a) through (g) above;

(i) all obligations of the kind referred to in subsections (a) through (h) above secured by (or which the holder of such obligation has an existing right, contingent or otherwise, to be secured by) any Lien on property (including accounts and contract rights) owned by such Person, whether or not such Person has assumed or become liable for the payment of such obligation; provided that, if such Person has not assumed or become liable for the payment of such obligation, the amount of such Indebtedness shall be limited to the lesser of (i) the principal amount of the obligations being secured and (ii) the fair market value of the encumbered property;

(j) all net obligations of such Person in respect of swap agreements or hedge agreements valued on any date at the swap or hedge termination value thereof as of such date; and

(k) all debt of any partnership, unlimited liability company or unincorporated joint venture in which such Person is a general partner, member or a joint venturer, respectively (unless such Indebtedness is expressly made non-recourse to such Person).

For the avoidance of doubt, net smelter royalty and bonus payments payable by the Seller under the 2011 Stock Purchase Agreement and amounts payable by the Seller under the Asset Purchase Agreement shall not be deemed Indebtedness.

"**Indemnified Person**" has the meaning specified in Section 11.5(a).

"**Indemnified Taxes**" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Credit Party under any Credit Document and (b) to the extent not otherwise described in (a), Other Taxes.

"**Instrument**" means any contract, agreement, undertaking, indenture, mortgage, certificate, document or writing (whether formal agreement, letter or otherwise) under which any obligation, duty, covenant, agreement, affirmation, undertaking or liability is evidenced, assumed or undertaken, or any right or Lien (or right or interest therein) is granted, authenticated, notarized, authorized or perfected, and any notice, registration, recordation or filing associated with or required by any of the foregoing.

"**Insurance Proceeds**" means the proceeds of any insurance claim under any insurance policy maintained by the Seller or the proceeds of any insurance claim related to the Seller or the Project under any insurance policy maintained by a Guarantor.

"**Intercompany Loans**" means working capital loans made by Fortune to the Seller prior to the Effective Date in the aggregate amount of approximately [redacted], as the same may be increased from time to time.

amount deleted

"**Interest Advances Outstanding**" means the Advances Outstanding with respect to the end of the calendar month prior to the month that contains the Interest Payment Date.

"**Interest Payment Amount**" means, in relation to any Interest Payment Date, an amount calculated by the Buyer equal to interest on the Interest Advances Outstanding calculated at the Interest Rate.

"**Interest Payment Date**" means any one of (i) the fifteenth (15th) Business Day of each calendar month and ending on the Maturity Date and (ii) the Maturity Date.

"**Interest Rate**" means [redacted] per annum.

interest rate deleted

"**ITA**" means the Income Tax Act (Canada).

"**Key Person**" means [redacted], and any replacement duly appointed pursuant hereto.

Identities of Key Persons deleted

"**Lead**" means payable lead as defined in the Offtake Agreements..

"**Lead Repayment Units**" means, the amount of Lead payable for each month during the Repayment Period as set out opposite such month in the column entitled "Pb Repayment Units Due" in Schedule 1.1(a), as applicable (or any revised Schedule 1.1(a) delivered by the Seller to the Buyer in accordance with Section 4.1 or Section 4.2).

"**Lien**" means any mortgage, pledge, hypothecation, assignment (as security), deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest, or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever having substantially the same economic effect as any of the foregoing (including any conditional sale or other title retention agreement and any capital lease and any easement, right of way or other encumbrance on title to real property).

"**Mandatory Prepayment Amount**" has the meaning specified in Section 4.1.

"**Material Adverse Effect**" means (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties, liabilities (actual or contingent), financial condition of the Seller, (b) a material impairment of the ability of any Credit Party to perform its obligations under any Credit Document; (c) a material impairment of the ability of any Key Person to devote adequate time and attention to the affairs of the Seller as determined by the Buyer acting reasonably after due consultation with the Seller, or (d) a material adverse effect upon the legality, validity, binding effect or enforceability against any Credit Party of any Credit Document to which it is a party.

"**Material Contracts**" means, collectively, (a) the Asset Purchase Agreement, (b) the agreements set out in Schedule 1.1(b), (c) all Offtake Agreements, and (d) any other agreement to which any Credit Party is a party and which is deemed material by the Buyer acting reasonably to the Seller or the operation of the Mineral Properties.

"**Materials**" means concentrates and any other intermediate product containing Metals.

"**Maturity Date**" means the earlier of the (a) the end of the Repayment Period, (b) the date whereby the Seller delivers to the Buyer 100% of the Repayment Units Due as set out in Schedule 1.1(a), as applicable (or any revised Schedule 1.1(a) delivered by the Seller to the Buyer in accordance with Section 4.1 or Section 4.3), or (c) if the Metal Prepay Facility has been accelerated as set out in Section 9.2, the date on which the Buyer demands repayment of the Metal Prepay Facility as set out herein.

"**Metal Prepay Facility**" means, collectively, the Tranche 1 Advance and the Tranche 2 Advance.

"**Metal Prepay Facility Documents**" means this Agreement, the Security Documents, each Advance Notice, the Offtake Agreement, and any other payment agreement or instrument entered into in connection with this Metal Prepay Facility.

"**Metals**" means Gold, Silver, Zinc and Lead.

"**Mineral Properties**" and each individually, a "**Mineral Property**", means all surface rights, subsurface rights and Mining Rights, and all surface, subsurface and mineral leases, concessions, licenses, claims, rights, titles or interests to be owned, leased, held or controlled by the Seller after giving effect to the Acquisition and in the future, and all related, associated or appurtenant rights, in each case, howsoever characterized or designated, that will be owned, leased, held, operated or controlled, directly or indirectly, by Seller after giving effect to the Acquisition and in the future, with such rights, titles and interests included in the Acquisition described in Schedule 1.1(c).

"**Mining Rights**" means all interests in the minerals in (or that may be extracted from) any lands, water rights, patented and unpatented claims, mining licenses, profits-a-prendre, joint ventures and other leasehold interests, access rights, rights of way, inurements, licenses, permits and other mining rights and interests used by the Seller.

"**Monthly Budget**" means the projected monthly production of Metals in accordance with the production plan of the Seller set forth on Schedule 1.1(e).

"**Mortgage**" means the mortgage or deed of trust pursuant to which Seller assigns, mortgages, hypothecates, transfers and pledges the Mining Rights and Real Property Interests to and in favor of the Buyer, substantially in the form of Exhibit F.

"**Multiemployer Plan**" means a "multiemployer plan" as defined in Section 3(37) or 4001(a)(3) of ERISA to which any ERISA Affiliate makes, or is obligated to make, contributions, or under which any ERISA Affiliate has any obligation or any liability, contingent or otherwise.

"**Obligations**" means all duties, covenants, agreements, liabilities, indebtedness and obligations of the Credit Parties hereunder.

"**Offtake Agreements**" means one or more tri-partite agreements among the Seller, the Buyer, and a purchaser of Materials acceptable to both the Seller and the Buyer each in a form and substance satisfactory to the Buyer acting reasonably, providing that all provisions in such agreement relating to the Metal Prepay Facility Repayments described in Section 3.1, and any and all information rights of the Buyer with respect to such agreement, must be satisfactory to the Buyer in its sole discretion.

"**Organizational Documents**" means (a) with respect to a corporation, its articles of incorporation, certificate of incorporation or other similar documents and its by-laws, and (b) with respect to any other Person which is an artificial body, the organization and governance documents of such Person, in each case as amended and supplemented from time to time.

"**Other Connection Taxes**" means Taxes imposed as a result of a present or former connection between a Seller and the jurisdiction imposing such Tax (other than connections arising from such Seller having executed, delivered, become party to, performed obligations, received payments under, received or perfected a Lien, engaged in any other transaction pursuant to or enforced any Credit Document, or sold or assigned an interest in any Metal Prepay Facility or Credit Document).

"**Other Taxes**" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Credit Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

"**Partial Prepayment Amount**" has the meaning specified in Section 4.2(c).

"**Payments**" means all monies due (if any) payable by a Credit Party under this Agreement.

"**PBGC**" means the Pension Benefit Guaranty Corporation or any successor agency.

"**Pension Plan**" means any employee benefit plan within the meaning of Section 3(3) of ERISA, other than a Multiemployer Plan, which is subject to the provisions of Section 302 or Title IV of ERISA or Section 412 of the Code and (a) which is maintained or contributed to by any ERISA Affiliate, or (b) pursuant to which any ERISA Affiliate has any obligation or liability, whether actual or contingent.

"**Permitted Indebtedness**" means, in respect of the Seller, the following:

(a) Indebtedness under any of the Credit Documents;

(b) the Intercompany Loans;

(c) Capital or Operating Lease Obligations with respect to operating equipment for the Project;

(d) Indebtedness owed to any Person providing workers' compensation, health, disability or other employee benefits or property, casualty or liability insurance, pursuant to reimbursement or indemnification obligations to such Person, in each case incurred in the ordinary course of business; and

(e) unsecured account trade payables incurred in the ordinary course of business provided (i) such trade payables are not secured by any Lien and (ii) payment thereof is not more than ninety (90) days overdue, provided that the aggregate amount of all such Indebtedness shall not exceed [redacted]. amount deleted

"**Permitted Liens**" means, in respect of any Person, any one or more of the following:

(a) Liens for taxes, assessments or governmental charges or levies if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings and where adequate reserves (segregated to the extent required by IFRS) satisfactory to the Buyer, acting reasonably, have been established in accordance with IFRS and so long as such contested Liens could not reasonably be expected to have a Material Adverse Effect;

(b) Liens imposed by law, such as carriers, warehousemen and mechanics' liens and other similar liens arising in the ordinary course of business associated with amounts not yet due and payable, provided that such Liens are not registered against title to any assets of the Person and in respect of which adequate holdbacks are being maintained as required by Applicable Law or such Liens are being contested in good faith by appropriate proceedings and in respect of which there has been set aside a reserve (segregated to the extent required by IFRS) in an amount satisfactory to the Buyer, acting reasonably, and provided further that such Liens could not reasonably be expected to have a Material Adverse Effect;

(c) Liens outstanding on the date hereof and described in Schedule 1.1(d) hereto; and

(d) Liens arising under the Security Documents; and

(e) Liens securing Capital or Operating Lease Obligations with respect to operating equipment for the Project.

"**Person**" means a natural person, partnership, limited liability company, corporation, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.

"**Prepayment Notice**" has the meaning specified in Section 4.2(a).

"**Project**" means the mining assets, business and operations related to the Revenue Silver Mine project located in Ouray County, Colorado, substantially as described in the Asset Purchase Agreement.

"**Project Permits**" means those Authorizations for the development and operation of the Mineral Properties, as defined in Section 7.1(p).

"**Project Technical Characteristics**" means mineral resources, mineral reserves, mine plans, and project economics including operating and capital costs, utilized to determine the technical and economic feasibility of the start of the sustainable commercial operation of the Mineral Properties, each in the Buyer's sole discretion.

"**Prudent Mining Industry Practices**" means those practices, standards, methods, techniques and specifications, as they may evolve, change and modify from time to time that (a) are commonly used and generally accepted in the mining industry as good, safe and prudent operational, administrative and engineering practices in connection with the design, construction, operation, maintenance, repair or use of mining projects, mining facilities, mining infrastructure, mining equipment or other components of a mining operation, (b) conform in all material respects to Applicable Laws, (c) conform in all material respects to operational and maintenance guidelines and requirements suggested by applicable manufacturers, suppliers and insurance providers (taking into account the size, age, service and type of asset), and (d) are commercially reasonable based on the nature of the Mineral Properties.

"**Real Property Interests**" has the meaning set forth in Section 7.1(i)(i).

"**Related Party**" or "**Related Parties**" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"**Release**" means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, leeching or migration of any element or compound in or into the indoor or outdoor environment (including the abandonment or disposal of any barrels, tanks, containers or receptacles containing any Contaminant), or in, into or out of any vessel or facility, including the movement of any substance through the air, soil, subsoil, surface, water, groundwater, rock formation or otherwise.

"**Relevant Jurisdiction**" means, with respect to Fortune, the Province of Ontario, and with respect to the Seller or another Guarantor, any jurisdiction in which such party has property or assets from time to time that are secured pursuant to the Security Documents, or in which it carries on business and, for the purposes of this Agreement, includes the State of Colorado.

"**Repayment Date**" means the last Business Day of each calendar month during the Repayment Period, as applicable.

periods deleted

"**Repayment Period**" of the Metal Prepay Facility means the [redacted] month period commencing with (and including) the [redacted] month following the advance of Tranche 1.

"**Repayment Units**" means, collectively, the Gold Repayment Units, the Silver Repayment Units, the Lead Repayment Units and the Zinc Repayment Units.

"**Reporting Jurisdictions**" means all of the jurisdictions in Canada in which Fortune is a "reporting issuer".

"**Representative**" means any officer, partner, manager, employee, agent, consultant, advisor, accountant, financial advisor, legal counsel or other representative of a Person.

"**Restricted Party**" means a person or entity that is, (a) listed on, or fifty percent or more owned or controlled by a person or entity listed on, any Sanctions List, (b) that is located in, organized under the laws of, or resident in a country or territory which is a subject of country-or territory-wide Sanctions; or (c) otherwise a target of Sanctions (namely a person with whom a U.S. person or other relevant national would be prohibited or restricted by law from engaging in trade, business or other activities).

"**Sanction(s)**" means any sanction administered or enforced by the United States Government (including, without limitation, OFAC), the United Nations Security Council, the European Union, Her Majesty's Treasury or other relevant sanctions authority.

"**Sanctions List**" means (a) the "Specially Designated Nationals and Blocked Persons" list maintained by OFAC, (b) the Consolidated List of Financial Sanctions Targets maintained by the UK Treasury; or (c) any similar list maintained by any other relevant sanctions authority.

"**Security Documents**" means each (a) the Seller Security Agreement, (b) the Fortune Security Agreement, (c) the Mortgage, and any other security granted to the Buyer by any Credit Party, as security for the payment and performance of the Obligations.

"**Seller**" has the meaning given such term in the Preamble.

"**Seller Security Agreement**" means the Security Agreement between the Seller and the Buyer substantially as set forth as Exhibit D.

"**Seller's Accounts**" means the accounts of the Seller and the other Credit Parties described in Schedule 8.1(s).

"**Silver**" means payable silver as defined in the Offtake Agreements.

"**Silver Repayment Units**" means, the amount of Silver payable for each month during the Repayment Period as set out opposite such month in the column entitled "Ag Repayment Units Due" in Schedule 1.1(a), as applicable (or any revised Schedule 1.1(a) delivered by the Seller to the Buyer in accordance with Section 4.1 or Section 4.2).

definition relevant to amortization schedule deleted

"**Solvent**" means, with respect to any Person, that (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair saleable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay such debts and liabilities as they mature, (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person's property would constitute an unreasonably small capital, and (e) such Person is able to pay its debts and liabilities, contingent obligations and other commitments as they mature in the ordinary course of business.

"**Subsidiary**" means with respect to any Person (the "**parent**") at any date, (i) any corporation, limited liability company, association or other business entity of which securities or other ownership interests representing more than 50% of the voting power of all equity interests entitled to vote in the election of the board of directors thereof are, as of such date, held by the parent and/or one or more subsidiaries of the parent, (ii) any partnership, (x) the sole general partner or the managing general partner of which is the parent and/or one or more subsidiaries of the parent or (y) the only general partners of which are the parent and/or one or more subsidiaries of the parent and (iii) any other Person that is otherwise Controlled by the parent and/or one or more subsidiaries of the parent.

"**Taxes**" means all taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, payments or other charges imposed by any Governmental Entity, including any interest, additions to tax or penalties applicable thereto.

"**Tranche 1 Advance**" means an amount equal to $25,000,000.

"**Tranche 1 Closing Date**" means the date the conditions precedent to the making of the Tranche 1 Advance are satisfied and the Tranche 1 Advance is made to the Seller.

"**Tranche 2 Advance**" means an amount equal to $10,000,000.

"**Tranche 2 Closing Date**" means the date the conditions precedent to the making of the Tranche 2 Advance are satisfied and the Tranche 2 Advance is made to the Seller; <u>provided</u> that such date shall occur within the time-frame provided for in Section 6.2(c).

"**Transaction Documents**" means this Agreement, the Credit Documents, the Asset Purchase Agreement, the Material Contracts and any other documents related to the transactions described herein or therein.

"**Transactions**" means the transactions contemplated by the Transaction Documents.

"**Transfer of Mining Rights**" means an executed, undated, unconditional transfer (in statutory form) of the Mining Rights, together with an irrevocable power of attorney authorizing the Buyer to date such transfer.

"**TSX**" means the Toronto Stock Exchange.

"**UCC**" means the Uniform Commercial Code as the same may from time to time be in effect in the State of New York (and each reference in this Agreement to an Article thereof will refer to that Article as from time to time in effect); provided, however, in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of Buyer's security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, the term "UCC" will mean the Uniform Commercial Code or other personal property legislation (including the Articles or provisions thereof) as in effect at such time in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions.

"**Use of Proceeds**" has the meaning specified in Section 2.4.

"**U.S. Person**" means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Code.

"**Waste**" means ashes, garbage and refuse and includes domestic waste, industrial waste, municipal refuse or such other wastes as are designated as such under any Environmental Law.

"**Withdrawal Liability**" means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Title IV of ERISA.

"**Zinc**" means payable zinc as defined in the Offtake Agreements.

"**Zinc Repayment Units**" means, the amount of Zinc payable for each month during the Repayment Period as set out opposite such month in the column entitled "Zn Repayment Units Due" in Schedule 1.1(a), as applicable (or any revised Schedule 1.1(a) delivered by the Seller to the Buyer in accordance with Section 4.1 or Section 4.2).

1.2 Other Usages.

References to "**this Agreement**", "**the agreement**", "**hereof**", "**herein**", "**hereto**" and like references refer to this Agreement and not to any particular Article, Section, Subsection, paragraph or other subdivision of this Agreement. Any references herein to any agreements or documents shall mean such agreements or documents as amended, supplemented, restated or otherwise modified from time to time in accordance with the terms hereof and thereof. Any reference to any law shall include all statutory and regulatory rules, regulations, orders and provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified, extended, restated, replaced or supplemented from time to time.

1.3 Gender and Number.

Any reference in the Credit Documents to gender includes all genders and words importing the singular number only include the plural and vice versa.

1.4 Headings, etc.

The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and are not to affect the interpretation of this Agreement.

1.5 Currency.

All references in the Credit Documents to Dollars, unless otherwise specifically indicated, are expressed in the currency of the United States of America.

1.6 Meaning of Certain Terms.

Any reference in this Agreement to:

(a) a Default being "**continuing**" means that the condition constituting such Default continues to exist and has not been waived or remedied to the satisfaction of the Buyer and an Event of Default being "continuing" means that such Event of Default has not been waived;

(b) unless otherwise indicated, a "**Credit Document**" or any other agreement or instrument is a reference to that Credit Document or other agreement or instrument as amended, modified, novated, supplemented, extended or restated;

(c) "**indebtedness**" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

(d) "**knowledge**" of any Person shall be deemed to mean such knowledge after due and diligent inquiry; and

(e) "**repay**" (or any derivative form thereof) shall, subject to any contrary indication, be construed to include "prepay" (and, as the case may be, the corresponding derivative form thereof).

1.7 Certain Phrases, etc.

In any Credit Document (i) (x) the words "including" and "includes" mean "including (or includes) without limitation", and does not create or denote a limitation, (y) the phrase "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of", and (z) the word "asset" includes present and future properties, revenues and rights of every description, and (ii) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

1.8 Accounting Terms.

All accounting terms not specifically defined in this Agreement shall be interpreted in accordance with IFRS.

1.9 Incorporation of Schedules.

The schedules and exhibits attached to this Agreement shall, for all purposes of this Agreement, form an integral part of it.

1.10 Conflict.

The provisions of this Agreement prevail in the event of any conflict or inconsistency.

ARTICLE 2
THE METAL PREPAY FACILITY

2.1 The Metal Prepay Facility.

The Metal Prepay Facility shall, subject to the terms and conditions hereof, be made available by the Buyer to the Seller in two tranches.

2.2 Non Revolving.

The Metal Prepay Facility is a non-revolving advance, and once repaid may not be drawn down again; provided that any repayment of the Tranche 1 Advance prior to the Tranche 2 Advance will not preclude the Tranche 2 Advance.

2.3 Advance Procedure.

The Seller shall request an advance of the Metal Prepay Facility by delivering to the Buyer a written Advance Notice signed by the Seller, which shall be delivered to the Buyer by no later than ten (10) days (or such shorter period as may be agreed to by the Buyer) prior to the proposed Tranche 1 Closing Date or Tranche 2 Closing Date, as the case may be. Each Advance Notice shall be irrevocable and shall specify (i) that such advance of the Metal Prepay Facility is requested by the Seller, (ii) the date of the requested advance (which shall be a Business Day not earlier than ten (10) days after delivery, or such earlier date as may be agreed by the Buyer), (iii) the specific purposes to which the proceeds of the advance shall be applied (as permitted by Section 2.4 below) by reference to specific applicable information and (iv) such other information and certifications as set forth in the form of Advance Notice and as the Buyer shall otherwise have reasonably requested. The advances shall be made available by way of wire transfer or other electronic funds transfer to the Seller's Account upon satisfaction of the applicable conditions precedent applicable to such advance as provided in Section 6.

2.4 Use of Proceeds.

The Seller shall use the proceeds of the Metal Prepay Facility as set forth below (collectively "**Use of Proceeds**");

(a) Seller shall use the proceeds of the Tranche 1 Advance:

(i) to repay the $4,000,000 General Corporate Facility (the "**General Corporate Facility of Fortune**") dated as of September 4, 2014 among Fortune, as Borrower, Fortune Revenue, as Guarantor and LRC-FRSM LLC, as Lender;

(ii) to make required payment of cash consideration of $15,000,000 pursuant to Section 3.3 (a) of the Asset Purchase Agreement to enable the Seller to acquire ownership of the Project and its assets and to enable Buyer to perfect its senior secured position on the Project and its assets;

(iii) to make required payment of cash consideration of $4,000,000 pursuant to the 2011 Stock Purchase Agreement to satisfy the current senior secured liability and to procure the release of all liens securing said liability; and

(iv) for development and working capital for the Project substantially in accordance with the project budget and schedule set forth in Schedule 2.4 as such project budget and schedule may be updated from time to time with the approval of the Buyer acting reasonably, including reimbursing Fortune for payroll expenses and trade payables incurred by Fortune on behalf of the Seller and for expenses associated with the negotiation and implementation of the Asset Purchase Agreement, the General Corporate Facility of Fortune and this Agreement to a maximum of $ [redacted] amount deleted

(b) Seller shall use the proceeds of Tranche 2:

(i) to pay in full all remaining amounts payable by the Seller under the Asset Purchase Agreement; and

(ii) after making the payment described in Section 2.4(b)(i) above, for additional development of and working capital for the Project substantially in accordance with the project budget and schedule set forth in Schedule 2.4 as such project budget and schedule may be updated from time to time with the approval of the Buyer acting reasonably, including reimbursing Fortune for payroll expenses and trade payables incurred by Fortune on behalf of the Seller and for expenses associated with the negotiation and implementation of the Asset Purchase Agreement, the General Corporate Facility of Fortune and this Agreement to a maximum of $[redacted] amount deleted

2.5 Buyer's Metal Prepay Facility Records.

The Buyer shall maintain accounts and records evidencing all payments received hereunder, which accounts and records shall constitute, in the absence of manifest error, prima facie evidence thereof.

ARTICLE 3
METAL PREPAY FACILITY REPAYMENTS; INTEREST AND OTHER PAYMENTS

3.1 Metal Prepay Facility Repayments.

On each Repayment Date, the Seller shall deliver, or cause to be delivered, the Repayment Units due to the Buyer's Account as follows:

(a) The Seller shall deliver, or shall cause to be delivered, all Repayment Units due on or before the date when due, whether on a Repayment Date or by prepayment, by the delivery of physical Metal to the Buyer at the Buyer's Account. The Credit Parties represent and warrant, and covenant and agree, that all Metal delivered to the Buyer as payment of any amount due hereunder shall be owned by the Seller, with good and marketable title thereto, free and clear of all Liens and adverse claims of any nature or description, and upon delivery to the Buyer's Account, the Seller shall convey and transfer to the Buyer good and marketable title thereto, free and clear of all Liens and adverse claims of any nature or description. The Seller agrees to convey and properly transfer all legal and beneficial right, interest and title in all Metal delivered to the Buyer, and upon each delivery of Metal pursuant to this Agreement, all legal and beneficial right, title and interest in and to such Metal will pass irrevocably from the Seller to the Buyer free and clear of any Liens and adverse claims of any nature or description. All costs, charges or expenses associated with the production, transport, refining, conveyance, transfer and delivery of any Metal by the Seller to the Buyer shall be borne and paid by the Seller. Until delivery of Metal has occurred in accordance with the terms hereof, all costs of transport, warehousing (including insurance), storage, customs, export and import licenses and Taxes and any other related costs and expenses shall be borne by the Seller. The Seller will have and bear all risk of loss of, or damage to, any Metal to be delivered by the Seller to the Buyer pursuant hereto until such Metal has been deposited to the Buyer's Account in accordance with the terms hereof, at which time the risk of loss or damage thereto shall transfer to the Buyer. The Buyer shall have the right to reject any metal that does not conform to the definition of the applicable Metal, as defined herein. Any such rejected metal shall not be considered delivered by the Seller and the payment amount associated therewith shall not be considered paid by the Seller.

Provisions related to terms of Offtake Agreements deleted

3.2 Cash Interest.

On each Interest Payment Date other than the Maturity Date, the Seller shall pay the Buyer the Interest Payment Amount relating to the calendar month immediately preceding such Interest Payment Date. On the Maturity Date, the Seller shall pay the Buyer the Interest Payment Amount accrued and unpaid as at the Maturity Date.

3.3 Other Payments.

In addition to the payment of Repayment Units due pursuant to clause 3.1 and cash interest pursuant to Section 3.2, the Seller shall also pay or cause to be paid to the Buyer until such time as the Advances Outstanding have been reduced to zero the following:

price deleted

metals deleted

(a) **Concentrates Payments**. The Seller shall pay to the Buyer an amount equal to [redacted] per metric ton (as determined by the purchaser of Material under the applicable Offtake Agreement) of each shipment by the Seller of Materials containing primarily (by assay percentage) [redacted] payable directly to Buyer from the purchaser of Material pursuant to the terms of each Offtake Agreement.

metals deleted

prices deleted

(b) **Additional Offtake Payment**. The Seller shall pay to the Buyer a payment with respect to each ounce of [redacted] sold to the purchaser of Metal under an Offtake Agreement that do not constitute [redacted] Repayment Units. Such payment shall equal [redacted] payable directly to Buyer from the purchaser of Metal against the first provisional invoice, as defined in and pursuant to the terms of the Offtake Agreement.

ARTICLE 4
PREPAYMENTS AND LATE REPAYMENTS

4.1 Mandatory Prepayments.

The Seller shall deliver, or shall cause to be delivered, the following amounts (each, a "**Mandatory Prepayment Amount**") and at the following times:

quantities of metals deleted

(a) **Grace Period Sweep**. During the Grace Period the Seller shall deliver, or cause to be delivered, directly and immediately to the Buyers Account, a volume of Repayment Units equal to not less than [redacted]; provided that the Seller may direct the purchaser of the Metal to pay directly to the Buyer an amount equal to the value of such Repayment Units on the same basis as set forth in Section 3.1(a);

quantities of metals deleted

(b) **Excess Monthly Production**. If production of Metal in any given month is greater than the Monthly Budget (the "**Excess Monthly Production**"), the Seller shall deliver, or shall cause to be delivered immediately to the buyer's Account, a volume of Repayment Units equal to not less than [redacted] and

(c) **Change of Control**. If a Change of Control shall occur, the Seller shall deliver, or cause to be delivered, directly and immediately to the Buyers Account, a volume of Repayment Units equal to the Full Prepayment Amount; provided that the Seller may direct the purchaser of the Metal to pay directly to the Buyer an amount equal to the value of such Repayment Units on the same basis as set forth in Section 3.1(a);

and together with any of the foregoing prepayments of the Metal Prepay Facility under (a), (b) or (c) above, the Seller shall simultaneously pay the Buyer any accrued and unpaid interest on any part of the Metal Prepay Facility so prepaid together with all other payments, charges and costs and other amounts payable hereunder. On the day any such prepayment is made, the Metal Prepay Facility shall be deemed repaid in an amount prepayment is made, the Metal Prepay Facility shall be deemed repaid in an amount equal to the product of the Mandatory Prepayment Amount and, for the purpose of determining the remaining Repayment Units Due, the remaining Repayment Units due shall be reduced by reducing the Repayment Units Due in the inverse order as set forth in Schedule 1.1(a) and otherwise in a manner determined by the Buyer, acting reasonably and in its sole discretion. Promptly (and in any event within five (5) Business Days) after such prepayment the Seller shall deliver to the Buyer a revised Schedule 1.1(a), showing the adjusted Repayment Units Due, all in form and substance satisfactory to the Buyer.

4.2 Voluntary Prepayments.

(a) The Seller may prepay the Metal Prepay Facility (in whole or in part) by early delivery of Repayment Units without premium or penalty at any time on at least five (5) Business Days prior written notice to the Buyer (each, a "**Prepayment Notice**").

(b) The Seller shall make such prepayment, together with all other costs, Payments, interest payments or charges then due.

(c) Each Prepayment Notice shall be irrevocable and shall state whether the prepayment contemplated therein is for the entire outstanding amount of the Metal Prepay Facility or for a part of the outstanding amount of the Metal Prepay Facility. In the event such prepayment is a partial prepayment, the Prepayment Notice shall stipulate the amount of such proposed prepayment (the "**Partial Prepayment Amount**"). In any case, such prepayment shall be made as follows:

(i) if such prepayment is of the entire outstanding amount of the Metal Prepay Facility, the Seller shall deliver to the Buyer at the Buyer's Account an amount of Repayment Units equal to the Full Prepayment Amount; and

(ii) if such prepayment is a partial prepayment of the outstanding amount of the Metal Prepay Facility, the Seller shall deliver to the Buyer at the Buyer's Account an amount of Repayment Units equal to the Partial Prepayment Amount;

and together with any of the foregoing prepayments of the Metal Prepay Facility under (c)(i) or (c)(ii) above, the Seller shall simultaneously pay the Buyer any accrued and unpaid interest on any part of the Metal Prepay Facility so prepaid together with all other payments, charges and costs and other amounts payable hereunder and on the day any Partial Prepayment Amount is paid to the Buyer, the Metal Prepay Facility shall be deemed to be repaid in an amount of such Partial Prepayment Amount and, for the purpose of determining the remaining Repayment Units Due, the remaining Repayment Units Due shall be reduced by an amount equal to the Partial Prepayment Amount by reducing the Repayment Units Due in the inverse order as set forth in Schedule 1.1(a) and otherwise in a manner determined by the Buyer, acting reasonably and in its sole discretion. Promptly and (in any event, within five (5) Business Days) after such partial prepayment, the Seller shall deliver to the Buyer a revised Schedule 1.1(a), showing the adjusted Repayment Units Due, all in form and substance satisfactory to the Buyer.

4.3 Late Repayment.

In the event that on any Repayment Date, the Repayment Units delivered by the Seller are less than Repayment Units due set forth in Schedule 1.1(a) (or any revised Schedule 1.1(a) delivered by the Seller to the Buyer in accordance with Section 4.1 or Section 4.2) for the relevant month (the difference between Repayment Units due in such month less the Repayment Units delivered in such month being the "**Shortfall**"), the Seller shall owe to the Buyer, an additional amount of Repayment Units equal to the Shortfall multiplied by [redacted] (rounded up to the nearest ounce or ton, as the case may be) (the "**Shortfall Payment**"). For certainty, the Shortfall Payment shall not reduce the remaining Repayment Units Due but will be an additional amount payable to the Buyer. Both the Shortfall and the Shortfall Payment will be added to the Repayment Units due in the next following month on Schedule 1.1(a) (or any revised Schedule 1.1(a) delivered by the Seller to the Buyer in accordance with Section 4.1 or Section 4.2) and shall be payable as part of the next following Repayment Units Due.

percentage deleted

4.4 Additional Provisions.

For the avoidance of doubt, no credit against future Shortfall Payments shall be made for any mandatory or voluntary prepayment of Repayment Units. In addition, prepayments of Repayment Units for one Metal does not require that all Metals must also be prepaid, and the Seller may complete the Repayment Amount for any one Metal before completing the Repayment Amount for the other Metals.

ARTICLE 5
PAYMENTS UNDER THIS AGREEMENT

5.1 Payments.

(a) The Seller shall make any Payment required to be made by it to the Buyer without set-off, deduction, withholding, or counterclaim or cross-claim, as applicable, by: (a) delivering the amount of Metal that is then due to the Buyer's Account, or (b) depositing the amount of cash then due with respect to each Interest Payment Amount with the Buyer, in each case by not later than 3:00 p.m. (New York time) on the date the Payment is due, to Buyer's Account .

(b) Unless otherwise expressly provided in this Agreement, the Buyer shall make advances to the Seller under this Agreement by crediting the account number of the Seller set forth in the Advance Notice not later than 3:00 p.m. (New York time) on the date the advances are to be made.

(c) The Buyer and the Credit Parties acknowledge and agree that the payment and delivery of all amounts and costs payable hereunder and any further consideration to the Buyer is a fair payment based on the business terms of this transaction. Notwithstanding the foregoing, if any provision of this Agreement or any agreement related hereto (including any other Credit Document) would obligate any Credit Party to make any payment of interest or other amount payable to the Buyer in an amount or calculated at a rate which would be illegal under

Applicable Laws then, notwithstanding such provision, such amount or rate shall be adjusted to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by Applicable Laws.

(d) Whenever any payment or delivery to be made hereunder shall be stated to be due on a day that is not a Business Day, the payment shall be made on the next succeeding Business Day.

5.2 Default Rate.

Except as may be expressly provided otherwise in this Agreement, including without limitation Section 4.3, all amounts owed by the Credit Parties to the Buyer (including interest), which are not paid when due (whether at stated maturity, on demand, by acceleration or otherwise) shall bear interest (both before and after default and judgment), from the date on which such amount is due until such amount is paid in full, payable on demand, at a rate per annum equal at all times to Default Rate.

ARTICLE 6
CONDITIONS OF LENDING

6.1 Conditions Precedent to the Advance of Tranche 1

The obligation of the Buyer to make the Tranche 1 Advance is subject to the following conditions precedent being satisfied to the satisfaction of the Buyer:

(a) **Credit Documents**. This Agreement and each of the other Credit Documents shall have been duly executed and delivered by each party hereto and thereto and be in full force and effect.

(b) **Corporate Documentation**. The Buyer shall have received (i) certified copies of the Organizational Documents of each Credit Party, (ii) a certified copy of the directors' resolutions of each Credit Party with respect to the authorization, execution and delivery of the Credit Documents and the Transactions, (iii) a certificate of an officer of each Credit Party certifying the names and the true signatures of the officers authorized to sign the Credit Documents, and (iv) certificates of status or other similar type of evidence for each Credit Party from all Relevant Jurisdictions.

(c) **Legal Opinions**. The Buyer shall have received legal opinions of the Canadian, New York and Colorado counsel to the Credit Parties, dated as of the Tranche 1 Closing Date and addressed to the Buyer, relating to, without limitation, (i) the due organization and good standing of the Credit Parties, (ii) the due authorization, execution, delivery and enforceability of the Credit Documents, (iii) the creation, perfection and registration of the Liens under the Security Documents, (iv) the execution and delivery of the Credit Documents by the Credit Parties not resulting in a breach or default under the Asset Purchase Agreement, and (v) such other matters as the Buyer shall reasonably request.

(d) **Consummation of Acquisition**. Concurrently with the funding of the Tranche 1 Advance, the Acquisition shall have been consummated in accordance in all material respects with the terms of the Asset Purchase Agreement, and no provision of the Asset Purchase Agreement shall have been waived, amended, supplemented or otherwise modified in any manner that would be materially adverse to the Buyer, without the prior written consent of the Buyer.

(e) **Security Documentation; Perfection of Liens; Releases.** The Buyer shall have received:

(i) evidence satisfactory to the Buyer confirming the validity and perfection of the Liens granted by the Security Documents with the Agreed Priority;

(ii) evidence satisfactory to the Buyer that (A) the Seller has received binders on insurance policies in respect of the Mineral Properties, (B) the Buyer is first loss payee and additional insured under all such insurance policies and (C) such insurance policies are in compliance with Section 8.1(p);

(iii) any filings or other Instruments for filing or registration or notarization thereof, notices with respect thereto or other Instruments determined by the Buyer to be necessary or desirable to establish and perfect the Liens established pursuant to the Security Documents with the Agreed Priority;

(iv) satisfactory searches of all mineral rights and other interests of the Seller in respect of the Mineral Properties;

(v) releases and discharges and postponements covering Liens affecting any of the Collateral which are not Permitted Liens, if any; and

(vi) evidence that all Liens created pursuant to the Security Documents have been duly perfected and registered in all Relevant Jurisdictions and other relevant jurisdictions as required by the Buyer and the Buyer's Counsel.

(f) **Due Diligence**. The Buyer shall have received all data, reports, maps, surveys, financial statements, Instruments, feasibility studies, and other information requested by the Buyer for its due diligence, including searches of all Lien filings, registrations and records deemed necessary by the Buyer, and copies of any documents, filings and Instruments on file in such jurisdictions, shall have been provided, and the Buyer shall have completed its technical, legal, financial, business, permitting, environmental, tax, technical and other due diligence investigation of the Credit Parties and the Mineral Properties in scope, and with results, satisfactory to the Buyer.

(g) **Solvency Certificate**. The Buyer shall have received delivery of a solvency certificate from the chief financial officer or the chief executive officer each of the Credit Parties in the form of Exhibit C, certifying that such Credit Party (i) is Solvent (ii) is able to pay its debts as they become due in the ordinary course of business, and (iii) will not be rendered insolvent by virtue of the advance of the Metal Prepay Facility.

(h) **Authorizations and Regulatory Approvals**. Delivery of a certificate of an officer of the Seller certifying that all necessary Authorizations relating to the development and operation of the Mineral Properties (other than those to be delivered post-closing as set forth in Schedule 8.1(b)) have been obtained and none has been rescinded, cancelled or otherwise terminated in any respect and all regulatory approvals required or advisable in order for the Transactions to occur shall have been received.

(i) **Material Contracts**. The Buyer shall have received an executed copy of each Material Contract.

(j) **Authorizations**. Any and all Authorizations of all Governmental Entities, the shareholders of the Seller and/or other Persons required in connection with this Agreement and the Transactions shall have been obtained and remain in effect.

6.2 Conditions Precedent to the Advance of Tranche 2

The obligation of the Buyer to make the Tranche 2 Advance is subject to the following conditions precedent being satisfied to the satisfaction of the Buyer:

(a) **Tranche 1 Conditions**. All conditions set out in Section 6.1 remain satisfied, fulfilled or otherwise met.

(b) **Additional Deliverables**. The Seller shall have received the following in form and substance satisfactory to the Buyer:

(i) updated Use of Proceeds, if required; and

(ii) a bring down of each of the legal opinions delivered on the Tranche 1 Closing Date.

(c) **Outside Date**. The conditions set forth in Section 6.2 shall be satisfied, and the Tranche 2 Advance shall be made, on October 16, 2014, and if such conditions are not satisfied prior to such date, the Buyer shall not have an obligation to fund the Tranche 2 Advance.

6.3 Conditions Precedent to Each Advance.

The obligation of the Buyer under this Agreement to make any of Tranche 1 Advance or Tranche 2 Advance hereunder is subject to each of the following conditions precedent being satisfied as of the date of such advance:

(a) **Representations**. The representations and warranties of the Seller and each other Credit Party set forth in the Credit Documents shall be true and correct in all material respects except to the extent that any such representation or warranty specifically refers to an earlier date, in which case such representation or warranty shall be true and correct in all material respects as of such earlier date; provided that such materiality qualifier above shall not be applicable to any portion of any representation and warranty that is already qualified or modified by materiality in the text thereof;

(b) **No Default**. No Default or Event of Default shall have occurred and be continuing or arise immediately after giving effect to or as a result of an advance of the Metal

Prepay Facility and the Buyer has received a certificate of a senior financial officer of the Seller so certifying to the Buyer;

(c) **Litigation**. There shall not exist any litigation, investigation, bankruptcy or insolvency, injunction, order or claim affecting or relating to any Credit Party or any of its Subsidiaries, or any Mineral Property, which has had or could reasonably be expected to have, a Material Adverse Effect, or which could reasonably be expected to affect the legality, validity or enforceability of this Agreement or any other Credit Document.

(d) **Material Adverse Effect**. Since the later of December 31, 2013 or the date of the most recent advance, there has been no change, event or occurrence that has, had, or could reasonably be expected to have, a Material Adverse Effect.

(e) **Use of Proceeds**. The Buyer shall have reviewed and approved the Use of Proceeds from an advance of the Metal Prepay Facility, as such Use of Proceeds has been specified by the Seller in the Advance Notice, and any deviation in such Use of Proceeds in the Advance Notice from the Use of Proceeds set out in Schedule 2.4 as of the Effective Date has been approved and agreed by the Buyer in its sole discretion.

(f) **Costs and Expenses**. All costs, expenses and fees required to be paid by the Credit Parties under any of the Credit Documents have been paid in full.

(g) **Other Conditions**. All conditions set forth in Section 2.3, Section 2.4 and this Section 6.3 shall have been, and shall remain, satisfied to the satisfaction of the Buyer in its sole discretion and the Seller's delivery of an Advance Notice shall constitute the Seller's representation and warranty that all such conditions precedent have been, and remain, satisfied).

(h) **Advance Notice**. Receipt by the Buyer of an Advance Notice duly executed by the Seller.

(i) **Transaction Documents**. Each Credit Party shall have performed and complied with all agreements and conditions herein and in the Transaction Documents required to be performed and complied with on or prior to the Effective Date, except those agreements and conditions waived by the Buyer.

(j) **Other Documentation**. Receipt by the Buyer such other documents, certificates, and agreements which the Buyer may reasonably request.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties.

Each of the Credit Parties hereby represents and warrants to the Buyer that:

(a) **Qualification and Organization**. It has all requisite corporate power and authority to enter into this Agreement and the other Transaction Documents to which it is a party and to carry out the Transactions. It is otherwise duly qualified to do business in each jurisdiction where the nature of its business or properties requires such qualification. It is a corporation duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation.

(b) **Subsidiaries**. Except as disclosed in Schedule 7.1(b), neither Credit Party has any direct or indirect Subsidiaries.

(c) **Authorization; No Conflict**. The execution, delivery and performance by it of this Agreement and of the other Transaction Documents to which it is a party have been duly authorized by all necessary shareholder and corporate action on the part of such Credit Party and do not and will not (i) contravene such Credit Party's articles of incorporation, charter or by-laws, or similar constituent documents; (ii) violate any provision of any Applicable Law, order, writ, judgment, injunction, decree, determination or award presently in effect having applicability to such Credit Party; (iii) result in a breach of or constitute a default under or, other than consents required to effect the transfer of Capital and Operating Leases as set forth in Schedule 1.1(d) hereto or the transfer or issuance of Project Permits as set forth in Schedule 7.1(r) hereto, require the consent of any Person pursuant to any indenture or Metal Prepay Facility or credit agreement or any other agreement, lease or Instrument to which any Credit Party is a party or by which it or any such Credit Party or its or any such Credit Party's properties may be bound or affected after giving effect to the Acquisition; or (iv) result in, or require, the creation or imposition of any Lien (other than Permitted Liens or Liens arising under the Security Documents) upon or with respect to any of the properties now owned by any Credit Party and, no Credit Party is in default in any respect under any such Applicable Law, writ, judgment, injunction, decree, determination or award or any such indenture, agreement, lease or instrument which could reasonably be expected to have a Material Adverse Effect.

(d) **Governmental and Other Consents and Approvals**. Other than consents required to effect the transfer or issuance of Project Permits as set forth in Schedule 7.1(r) hereto, no authorization or approval or other action by or consent of, and no notice to or filing or registration with, any Governmental Entity is required (i) for the due execution and delivery of, and the due performance of, the financial obligations of the Credit Parties under this Agreement or any other Transaction Document, or (ii) for the due performance of all other Obligations of the Credit Parties under this Agreement or any other Credit Document (other than registrations or filings to perfect the Liens created by the Security Documents).

(e) **Binding Obligations**. This Agreement and each of the other Transaction Documents constitutes a legal, valid and binding obligation of each Credit Party that is party thereto, enforceable against such Credit Party in accordance with its respective terms (except as limited by applicable bankruptcy, insolvency, reorganization, moratorium and similar laws or equitable principles affecting enforcement of creditors' rights generally at the time in effect).

(f) **Litigation**. There is no claim, action, lawsuit, proceeding, arbitration or investigation pending or threatened in writing against or involving any Credit Party or any Mineral Properties, which (i) alleges the violation of any Applicable Law, (ii) questions the validity of this Agreement or any of the other Transaction Documents or any action taken or to be taken pursuant to this Agreement or any of the Transaction Documents, (iii) involves any

Material Contract, or (iv) could reasonably be expected to result, either in any case or in the aggregate, in a Material Adverse Effect.

(g) **Financial Statements; No Material Adverse Change.** The consolidated audited financial statements of Fortune as of December 31, 2013, and the related consolidated unaudited financial statements of Fortune for the quarter ended June 30, 2014, fairly present the financial condition of Fortune as at such dates, and are in accordance with IFRS consistently applied. Each of the Credit Parties does not have any Contingent Liability or liability for Taxes, long-term leases or unusual forward or long-term commitments which are not reflected in such financial statements. Since December 31, 2013, neither the business, operations or prospects of each of the Credit Parties, nor any of its properties or assets, have been affected by any occurrence or development (whether or not insured against) which could reasonably be expected to result, either in any case or in the aggregate, in a Material Adverse Effect.

(h) **Information Accurate.** None of the written information prepared by or on behalf of any Credit Party and delivered to Buyer by any Credit Party in connection with this Agreement or the transactions contemplated hereby contains any material misstatement of fact or omits to state a material fact; provided that, with respect to any financial projections and forecasts which have been furnished to Buyer, such financial projections and forecasts were prepared in good faith on the basis of assumptions which were, in the opinion of the management of the Seller, reasonable at the time made; and at the time of delivery, the management of the Seller believed, in good faith, that the assumptions used in preparation of the financial projections and forecasts remain reasonable (it being understood that such financial projections and forecasts are subject to uncertainties and contingencies, many of which are beyond the control of any Credit Party, and no assurances can be given that such financial projections and forecasts will be realized).

(i) **Title; Liens.** After giving effect to the Acquisition:

(i) Schedule 7.1(i) accurately and completely sets forth and describes all real property that will be owned, leased, held or controlled by the Seller, including all fees interests, mineral dispositions, mining claims (patented if applicable), leases and other real property interests (the "**Real Property Interests**");

(ii) the Seller (A) will be the legal and beneficial owner of all Real Property Interests and (B) will be in exclusive possession thereof; free and clear of all Liens, claims, encumbrances, or other burdens on production, except for Permitted Liens;

(iii) the Seller will be the legal and beneficial owner of its owned real property and will have valid and effective rights to its leased property, free and clear of Liens, except for Permitted Liens;

(iv) all taxes, charges, rates, levies and assessments that, if unpaid, would create a Lien or charge on any Mineral Properties or any portion thereof, will have been paid in full;

(v) all contractors, subcontractors, agents and other Persons engaged by the Credit Parties providing services, materials or labor on or for the benefit of any Mineral Properties will have been paid in a timely manner for all work performed or services, goods or labor provided, on or with respect thereto; and

(vi) the Security Documents create, or upon their execution and delivery, will create, valid and effective Liens in and on the Collateral purported to be covered thereby, with the Agreed Priority.

(j) **Validity of Real Property Interests**. With respect to all Real Property Interests, to the best of the knowledge of the Credit Parties: (A) all claims, permits, and leases forming part of the Real Property Interests were located, staked, filed and recorded in compliance with all Applicable Laws and regulations; and (B) there are no actions or administrative or other proceedings pending or to the best of each of the Credit Parties' knowledge threatened against or affecting any of the Real Property Interests

(k) **Technical Information**. The information, including the mineral resource information, set forth in the technical reports supplied to satisfy the conditions precedent in Section 6, has been prepared in accordance with Prudent Mining Industry Standards, and the method of estimating the Project Technical Characteristics has been verified by the Credit Parties to Prudent Mining Industry Standards and the information upon which the estimates of Project Technical Characteristics were based, was, at the time of delivery thereof, complete and accurate in all respects and there have been no material changes to such information since the date of delivery or preparation thereof

(l) **Material Contracts; Absence of Default**. After giving effect to the Acquisition, the Material Contracts identified in Schedule 1.1(b) hereto include all of the contracts, indenture, Metal Prepay Facility, credit agreement, agreements, leases, Instruments and other binding commitments and undertakings of each Credit Party, the performance or breach of which could reasonably be expected to have a Material Adverse Effect, and the Seller has provided the Buyer with copies of each such Material Contract. After giving effect to the Acquisition, no Credit Party will be in default in any material respect under any of the Material Contracts, none of them has received any notice of an asserted default thereunder from any other Person, and none of them has knowledge of a breach by any counterparty thereto or the inability of any counterparty thereto to perform its obligations thereunder.

(m) **Taxes and Other Payments**. Each Credit Party thereof has filed all Tax returns and reports required by Applicable Law to have been filed by it and has paid all Taxes and governmental charges thereby owing or shown to be owing except Taxes (i) which the failure to do so could not reasonably be expected to cause a Material Adverse Effect, or (ii) which are being diligently contested in good faith by appropriate proceedings and for which adequate reserves in accordance with IFRS have been set aside on the books of such Credit Party.

(n) **Environmental Laws**. Except as set forth in Schedule 7.1(n) hereto:

(i) the Mineral Properties have been owned, developed, operated, leased, reclaimed and utilized in compliance in all material respects with all Applicable Laws, including Environmental Laws;

(ii) there are no outstanding or pending consent decrees, clean-up orders, mitigation orders, compliance orders, remediation orders or other orders, decrees, judgments or other administrative or judicial requirements outstanding under any Environmental Law with respect to any Mineral Properties;

(iii) no Credit Party has received any written or actual notice of any material violation, alleged violation, non-compliance, investigation, liability or potential liability, or request for information, with respect to Environmental Laws, Hazardous Materials or other environmental matters with regard to any Mineral Properties that remains unresolved, nor does any Credit Party have knowledge or reason to believe that any such notice will be received or is being threatened; and

(iv) with respect to the Mineral Properties, there are no pending or , to the knowledge of each Credit Party, threatened, lawsuits, claims, complaints, injunctions, or any other governmental or judicial actions or proceedings with respect to any alleged violation of any Applicable Laws, including Environmental Laws, or any Release or alleged Release of Hazardous Materials.

(o) **Indebtedness**. After giving effect to the Acquisition, the Seller will have no Indebtedness except Permitted Indebtedness.

(p) **Compliance with Laws, Etc**. Except for violations that may have occurred after May 1, 2014 noted in a Mine Citation/Order dated September 25, 2014 issued by the Mine Safety and Health Administration to Star Mine Operations, LLC, for which the Seller is responsible pursuant to the Asset Purchase Agreement, each Credit Party has at all times been and is now in compliance in all material respects with all Applicable Laws applicable to each of them and applicable to each of the Mineral Properties.

(q) **Operation of Mineral Properties**. The Credit Parties have heretofore made available to the Buyer all studies with respect to the Project supported by relevant geological, reserve, resource, metallurgical, engineering and financial data and evaluations of the Project prepared by or for the benefit of any Credit Party or otherwise in the possession of or available to any Credit Party. The Credit Parties are not aware of any material inaccuracy or omission in such information.

(r) **Project Permits**. All permits, claims, licenses, approvals, authorizations, certifications, registrations and consents of Governmental Authorities which are necessary to undertake and conduct the business of the Seller as it is proposed to be conducted after giving effect to the Acquisition are identified in Schedule 7.1(r) hereto (collectively, the "**Project Permits**"). Except as identified in Schedule 7.1(r) hereto, after giving effect to the Acquisition the Seller will have obtained all Project Permits necessary to conduct mining operations at the Mineral Properties and all such Project Permits will be in full force and effect in accordance with their terms, free of defaults, and no written notice alleging a breach or default under any of the Project Permits or challenging or questioning the validity of any such Project Permit has been delivered.

(s) **Mining Rights**. After giving effect to the Acquisition, the Seller will have acquired all property and assets including Mining Rights and have obtained such other surface and other rights as are necessary for access rights, water rights, plant sites, tailings disposal, waste dumps, ore dumps, abandoned heaps or ancillary facilities which are required in order to operate the Project in accordance with the Monthly Budget; provided that in the future the Seller will require additional land for the purposes of tailings disposal. Except for the land required for tailings disposal, all property and assets including Mining Rights are sufficient in scope and substance for the development and operation of the Project as contemplated by the Monthly Budget.

(t) **Compliance with Securities Legislation**. The Seller has complied, and will comply, in all material respects with all Applicable Securities Legislation in the course of its affairs, including, but not limited to:

(i) Fortune is a reporting issuer under Applicable Securities Legislation in at least one of the Reporting Jurisdictions and its common shares are listed for trading on the TSX;

(ii) Fortune is not in default in any material respect of any Applicable Securities Legislation or the TSX rules or policies nor is it included in a list of defaulting reporting issuers maintained by any securities commissions where the Seller is a reporting issuer or other securities regulatory authorities in the provinces and territories of Canada;

(iii) no order ceasing, halting or suspending trading or prohibiting the sale of common shares has been issued to and is outstanding against Fortune or its directors, officers or promoters and, to the best of the Seller's knowledge, no investigation or proceedings for such purposes are pending or threatened;

(iv) Fortune has complied with all the requirements of National Instrument 43-101, including, without limitation, with respect to the preparation and filing of any technical reports; and

(v) the Seller has complied in all material respects with all the requirements of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*, including, without limitation, with respect to the preparation and filing of any technical reports.

(u) **Counter-Terrorism Regulations and Anti-Money Laundering**. Each of the Credit Parties is and, with respect to the transactions contemplated by this agreement, shall remain in compliance with all applicable Sanctions and all applicable anti-money laundering and counter-terrorism financing laws, including the provisions of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, the *Criminal Code*, the *United Nations Act, the Trading with the Enemy Act*, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B Chapter V, as amended) and any other enabling legislation or executive order relating thereto, the *Patriot Act* (United States) and other Applicable Laws relating to "know your customer" and anti-money laundering rules and regulation which apply to it. No part of the proceeds from the Metal Prepay Facility will be used directly or indirectly for any payments to any government official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of any Applicable Law.

(v) **Margin Stock**. No part of the proceeds of the Metal Prepay Facility will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board of Governors of the Federal Reserve System of the United States of America, including Regulations T, U and X.

(w) **Equity Interests**. Other than as set out in Schedule 7.1(b), after giving effect to the Acquisition, the Credit Parties will not own any Equity Interests other than the Equity Interest in the Seller owned by Fortune and other marketable securities held by Fortune .

(x) **ERISA Compliance**. No ERISA Event has occurred or is reasonably expected to occur. Schedule 7.1(x) sets forth a list of all Pension Plans and all Multiemployer Plans to which any ERISA Affiliate has any obligation to contribute or has any obligation or liability, contingent or otherwise. Each Pension Plan, and each trust thereunder, intended to qualify for tax exempt status under Section 401 or 501 of the Code so qualifies. Each Pension Plan is in compliance in all material respects with applicable provisions of ERISA, the Code and other Applicable Law, and there are no existing or pending (or to the knowledge of any Credit Party, threatened) claims (other than routine claims for benefits in the normal course), sanctions, actions, lawsuits or other proceedings or investigation involving any Pension Plan.

(y) **Defined Benefit Plan**. Neither the Seller nor any of the Credit Parties has established or acquired a "registered pension plan" that contains a "defined benefit provision" as such terms are defined in the ITA.

(z) **Hazardous Materials**. To Credit Parties' knowledge after due inquiry, the Materials produced from the Mineral Properties do not contain any Hazardous Materials which (i) do not conform to Applicable Law, (ii) would render the Metals or intermediate products produced from the Mineral Properties unacceptable for smelting and/or refining processes, as applicable, or (iii) would otherwise render the Metals or intermediate products produced from the Mineral Properties unsaleable.

(aa) **Sanctions**. No Credit Party, nor any Subsidiary, nor, to the knowledge of the Credit Parties, any director, officer, employee, agent, affiliate or representative thereof, is, or is owned or controlled by any individual or entity that is a Restricted Party.

ARTICLE 8
COVENANTS OF THE CREDIT PARTIES

8.1 Affirmative Covenants.

Until the full and final payment and performance of the Obligations and the termination of this Agreement, each Credit Party shall (and the Seller shall cause each of its Subsidiaries to), perform all covenants in this Section 8.1:

(a) **Financial Statements, Reports and Other Information.** Each Credit Party shall deliver to Buyer, or cause to be delivered to Buyer, all financial and other information (in form and within time periods as required by Applicable Securities Legislation and in each case as soon as practicable) delivered or required to be delivered by the law or contract to regulators in Reporting Jurisdictions, any Governmental Entity, or to such Credit Party's shareholders, debt holders or any other credit counterparty and the Seller shall deliver to the Buyer, or cause to be delivered to the Buyer, each of the following:

(i) as soon as practicable and in any event within forty-five (45) days after the end of each Financial Quarter of each Financial Year, (A) the Seller's unaudited quarterly financial statements for such Financial Quarter, prepared in accordance with IFRS and Applicable Securities Legislation and (B) together with each such delivery of financial statements pursuant to this paragraph, a duly completed and executed Compliance Certificate relating thereto;

(ii) if either (x) the Seller is directly audited other than in conjunction with the audit of the Guarantor, (y) the Guarantor has another Subsidiary that raises the materially threshold at the Seller level for the audit of the Guarantor above the materially threshold for the audit of the Guarantor to be performed for the year ended December 31, 2014, or if (z) the Guarantor is no longer audited by a "Big 4" public accounting firm, then as soon as practicable and in any event within one hundred and twenty (120) days after the end of each Financial Year, (A) the annual audited financial statements of the Seller for such Financial Year prepared in accordance with IFRS and Applicable Securities Legislation and (B) together with each such delivery of financial statements pursuant to this paragraph, a duly completed and executed Compliance Certificate relating thereto;

(iii) as soon as practicable but no later than fifteen (15) days after the end of each calendar month, the Seller shall submit to the Buyer a written report concerning its business and activities and its performance versus the Monthly Budget, during the preceding calendar month and shall include a summary description of actions taken with respect to the Project a description of actual expenditures (as compared to the budgeted expenditures) and such other data and information as may be reasonably requested by the Buyer, with such monthly report to be delivered in form and substance acceptable to the Buyer.

(iv) to the extent the Seller incurs additional Indebtedness after the date hereof (including any Indebtedness permitted pursuant to Section 8.2) written notice to Buyer of the amount of such Indebtedness incurred and the documentation relating thereto; and

(v) as soon as practicable after receiving a request from Buyer, such other certificates, reports, status updates, data and information respecting the condition or operations, financial or otherwise, of the Seller as Buyer may from time to time reasonably request, with the same to be delivered in form and substance reasonably acceptable to Buyer.

All such reports, descriptions, data and other information provided by the Credit Parties (i) shall be true, complete and accurate in all material respects and (ii) shall not contain any material misstatement of fact or omit to state a material fact, and all projections contained in any such reports, certificates, status updates and otherwise shall be based on information which, when delivered, was true, correct and complete in all material respects and shall fairly present such Credit Party's then current estimate of its future business, operations and affairs; the Credit Parties shall provide the foregoing certification in writing upon delivery of any report, certificate, status update or other information and shall be deemed to have done so to the extent that any Credit Party fails to provide written certification thereof;

(b) **Notice of Default**. Each Credit Party shall provide to Buyer as soon as possible and in any event within three (3) Business Days after any officer of any Credit Party has or should reasonably have knowledge of the occurrence of each Event of Default or Default continuing on the date of such statement, a statement of the president or chief financial officer of the Seller, setting forth the details of such Event of Default or Default, and the action which the Seller proposes to take with respect thereto.

(c) **Corporate Existence**. Each Credit Party shall preserve and maintain its corporate existence, rights, franchises and privileges in the jurisdiction of its incorporation or formation; and, the Seller shall qualify and remain qualified to engage in business and conduct business activities in each jurisdiction in which such qualification is necessary or desirable in view of its business and operations or the ownership of its properties. Each Credit Party will (x) comply in all material respects with all requirements of Applicable Laws and all rules, regulations and requirements of stock exchanges on which its capital stock is traded, if any, concerning disclosure of matters relevant to such Credit Party and its properties; and, (y) timely file full and complete reports concerning its business and operations as required by such Applicable Laws and stock exchange, rules, regulations and requirements, except, with respect to this clause (y), as would not reasonably be expected to result in a Material Adverse Effect.

(d) **Payment of Taxes and Claims**. Each Credit Party shall pay, or cause to be paid when due, (i) all Taxes, assessments and governmental charges or levies imposed upon it, and (ii) all claims which, if unpaid, might by Applicable Law become a Lien upon any of the Collateral except any such Tax, assessment, charge, levy or claim which is being contested in good faith and by proper proceedings and in respect of which any of the Credit Parties have established adequate reserves in accordance with IFRS.

(e) **Keeping of Books**. Each Credit Party shall keep proper books of record and account, in which full and correct entries (in all material respects) shall be made in respect of its business and shall promptly notify Buyer of any change in accounting practices or procedures implemented by a Credit Party relative to such practices and procedures of such Credit Party as of the Effective Date.

(f) **Material Adverse Effect**. Each Credit Party shall immediately notify Buyer of any event or circumstance that would reasonably be expected to result in a Material Adverse Effect.

(g) **Reporting Issuer Status**. Fortune shall maintain (i) the listing of its common shares on the TSX; and (ii) its status as a reporting issuer under Applicable Securities Legislation in all of the Reporting Jurisdictions.

(h) **Notice of Litigation**. Each Credit Party shall give notice to the Buyer as soon as it becomes aware of the commencement of any action, litigation, proceeding, arbitration, investigation, grievance or dispute affecting the Seller, the Project, any Material Contract or any Affairs of the Seller, together with copies of the court filings or other documents associated therewith.

(i) **Notice of Environmental Matters**. Each Credit Party shall provide to Buyer, promptly after the filing or receipt thereof, copies of (i) all new Project Permits, together with a description thereof and (ii) all notices with or from any Governmental Entity or any other Person alleging any material noncompliance with or violation of any Environmental Law relating to the Project or Project Permit and any correspondence in response thereto.

(j) **Notices re Agreements**. Each Credit Party shall provide to the Buyer any relevant or material information that becomes available to the relevant Credit Party under any of the Offtake Agreements, including, without limitation, with respect to any shipments, delivery or refining product or Concentrate, or any other notification as required under such agreements.

(k) **Comply with Environmental Laws**. The Seller shall own, operate and manage its business and the Mineral Properties in compliance in all material respects with all Applicable Laws, including Environmental Laws, and the Seller shall, and shall cause its agents and third party contractors to, in all material respects (i) manage and operate the Mineral Properties and the Project in compliance with all Environmental Laws, (ii) maintain all Authorizations and make all registrations required under all Environmental Laws in relation to the Mineral Properties and the Project and remain in compliance therewith, (iii) store, treat, transport, generate, otherwise handle and dispose of all Hazardous Materials and Waste owned, managed or controlled by any of the Credit Parties in compliance with all Environmental Laws and (iv) comply with all recommendations contained in any environmental impact assessment.

(l) **Conduct of Operations and Maintenance of Properties**. Except as otherwise expressly permitted hereunder, the Seller shall engage solely in the business of developing and operating the Mineral Properties, and other prospective mining projects, and in activities incidental thereto, in accordance with Prudent Mining Industry Practices. The Seller shall explore, investigate, develop, mine, operate and use each Mineral Property in accordance with

Prudent Mining Industry Practices. The Seller shall diligently and continuously work to develop and operate the Project. The Seller shall, from time to time, make and cause to be made all repairs, renewals, replacements, additions and improvements to the Mineral Properties and its other properties and assets, such that the Seller may properly and advantageously operate the Project at all times in accordance with Prudent Mining Industry Practices.

(m) **Maintain the Mining Claims, Mining Rights and Project Permits in Good Standing**. The Seller shall make any and all payments and incur any and all expenses required in relation to all mining claims relating to any of the Mineral Properties and use commercially reasonable efforts to ensure they are kept in good standing and remain in full force and effect.

(n) **Updated Banking Information**. The Seller shall promptly notify the Buyer of any change in bank location or accounts.

(o) **Rights of Inspection**. At any reasonable time during normal business hours and from time to time, the Seller shall permit the Buyer and its Representatives to examine the records and books of account of, and to visit the properties of, the Seller (including the Mineral Properties) and to discuss the affairs, finances and accounts of the Seller with any Representative of the Seller. So long as no Event of Default has occurred and is continuing, the Seller shall pay all reasonable costs of two site visits or collateral inspections per year, and at any time that an Event of Default has occurred and is continuing, the Seller shall pay all costs of the activities described in this clause (p).

(p) **Maintenance of Insurance**. The Seller shall maintain with financially sound and reputable insurance companies (i) insurance on all its property and assets insuring against at least such risks as are usually insured against in the same or a similar business and as required by Applicable Laws and (ii) liability insurance covering at least such risks as are usually insured against in the same or a similar business and as required by Applicable Laws; and furnish to the Buyer, upon request, full information as to the insurance carried. The insurance coverage of the Seller as of the Tranche 1 Closing Date is outlined as to carrier, policy number, expiration date, type and amount on Schedule 8.1(p). Upon the request of the Buyer from time to time, Seller shall deliver to the Buyer evidence of the insurance then in effect, including a detailed list of such insurance containing the information set forth on Schedule 8.1(p). The insurance policies with respect to the Mineral Properties shall name the Buyer as first loss payee and/or additional insured, as appropriate, and shall contain an endorsement providing that such insurance cannot be terminated or amended without at least thirty (30) days prior notice to the Buyer.

(q) **Insurance Proceeds**. The Seller shall ensure that all Insurance Proceeds received by or on behalf of the Seller shall be reinvested in replacement assets or otherwise be applied to the operation and development of the Project. In the case where the Seller reinvests the Insurance Proceeds in replacement assets, the Seller shall ensure that such assets are subject to perfected liens with the Agreed Priority.

(r) **Authorizations**. The Seller shall obtain and maintain in full force all Authorizations necessary for the exploration, development and production of Metal at the Mineral Properties and the performance of the Seller's obligations thereunder and perform and observe in all material respects all covenants, conditions and restrictions contained in, or imposed on it by, any Authorization and/or Material Contract.

(s) **Deliver Additional Material Contracts; Direct Agreements**. Each Credit Party shall notify the Buyer within five (5) Business Days upon the entering into of any new Material Contract. If requested by the Buyer acting reasonably each Credit Party shall deliver (i) an executed copy of each new Material Contract to the Buyer within five (5) Business Days of such request and (ii) a Direct Agreement executed by each of the parties to any Material Contract within ten (10) Business Days of a request therefore.

(t) **Perfection and Protection of Security**. Each Credit Party shall perform, execute and deliver all acts, agreements and other documents as may be requested by the Buyer at any time to register, file, signify, publish, perfect, maintain, protect, and enforce priority of the security interests in the Collateral including, without limitation, (i) executing, recording and filing of the Security Documents, the Offtake Agreement and financing, change or continuation statements in connection therewith, as necessary and appropriate, in form and substance satisfactory to the Buyer, (ii) delivering to the Buyer the originals of all instruments, documents and chattel paper and all other Collateral of which the Buyer determines it should have physical possession in order to perfect and protect its priority position in the Collateral, duly endorsed or assigned to the Buyer, (iii) delivering to the Buyer warehouse receipts covering any portion of the Collateral located in warehouses and for which warehouse receipts are listed, (iv) placing notations on its books of account to disclose the Collateral, (v) delivering to the Buyer all letters of credit on which the Credit Party is named beneficiary and (vi) taking such other steps as are deemed necessary by the Buyer to maintain its priority position in the Collateral.

(u) **Seller's Accounts**. The Seller shall establish and maintain its primary operating accounts at the locations and with the banks or financial institutions described on Schedule 8.1(u) and shall not change such accounts without the Buyer's prior written consent. Seller shall ensure that the Credit Parties' Accounts remain subject at all times to a Lien in favor of the Buyer as established by the applicable Security Documents and with the Agreed Priority.

(v) **Additional Guarantors**. The Seller shall ensure that on or prior to any Person becoming a Subsidiary of the Seller:

(i) such Person shall execute and deliver in favor of the Buyer a Accession Agreement and shall execute such other Security Documents as required by the Buyer in order to (a) become a "Guarantor" hereunder and (b) pledge all of its real and personal assets to secure the Obligations;

(ii) all shares in the capital of such Person are pledged to the Buyer (and all original share certificates are delivered to the Buyer, duly endorsed in blank or accompanied by a duly executed stock power transfer form), and the Buyer has received evidence of registration or other perfection of such and/or pledge in such jurisdictions as the Buyer may require;

(iii) the Buyer has received opinions of the counsel to such Person relating to, among other things, its organization and good standing, the due authorization, execution, delivery and enforceability of the Credit Documents to which such Person is a party and the creation, perfection and priority of the Liens granted by such Person under the Security Documents;

(iv) the Buyer has received all discharges, subordination agreements, waivers and confirmations as the Buyer may require to ensure that all obligations under the Transaction Documents are secured by first priority Liens on the property and assets of such Person; and

(v) the Buyer has received such other evidence, certificates and documentation as the Buyer may request;

in each case, in form and substance satisfactory to the Buyer.

(w) **Defense of Title and Rights**. The Seller shall preserve and defend its ownership of and all right, title and interest in its assets, properties and rights, including each Mineral Property, as such title is represented in Section 7.1(i). Each Credit Party shall defend the Liens in favor of the Buyer under the Security Documents, and the Credit Parties shall maintain and preserve such Liens as perfected Liens with their Agreed Priority. Each Credit Party shall ensure that the Security Documents shall at all times cover and extend to all assets, properties, rights and interests of each Credit Party or Subsidiary.

(x) **Material Contracts**. Each Credit Party shall comply in all material respects with the terms and conditions of each of the Material Contracts to which it is a party.

(y) **ERISA Notices**. Each Credit Party shall (i) notify Buyer within ten (10) days after any Credit Party or any ERISA Affiliate knows or has reason to know that any ERISA Event has occurred, provide Buyer with a statement describing such ERISA Event and the action, if any, that any ERISA Affiliate has taken and proposes to take with respect thereto, and provide Buyer with copies of any material documentation provided or received in connection therewith; and (ii) promptly upon Buyer's request, make a request to any Multiemployer Plan for, and provide to Buyer, within ten (10) Business Days after receipt thereof by any ERISA Affiliate, copies of any documents described in Section 101(k) of ERISA or Section 101(l) of ERISA.

(z) **Further Assurances**. Each Credit Party shall execute, acknowledge and deliver to the Buyer such other and further documents and Instruments and do or cause to be done such other acts as the Buyer reasonably determines to be necessary or desirable to effect the intent of the parties to this Agreement or otherwise to protect and preserve the interests of the Buyer hereunder, promptly upon request of the Buyer, including the execution and delivery of any and all documents and Instruments which are necessary or advisable to create, protect or maintain in favor of the Buyer, Liens on all Collateral of the Credit Parties as may be required by this Agreement or any Security Document that are duly perfected in accordance with all Applicable Laws and with the Agreed Priority

(aa) **Additional Covenants**. The Seller shall use commercially reasonable efforts to complete each task identified on <u>Schedule 8.1(aa)</u> by the completion date on <u>Schedule 8.1(aa)</u>.

(bb) **Post-Closing Matters**. The Seller shall complete each task identified on Schedule 8.1(bb) by the completion date on Schedule 8.1(bb).

8.2 Negative Covenants.

Without the prior written consent of Buyer, until the irrevocable, full and final payment and performance of the Obligations and the termination of this Agreement, each of the Credit Party agrees that:

(a) **Shipment**. Seller shall not make any shipment, delivery or other transfer to a third party any Metal, Concentrate or any other product other than as governed under an Offtake Agreement.

(b) **Indebtedness**. Seller shall not create, incur, assume or suffer to exist any Indebtedness, except:

(i) Permitted Indebtedness; and

(ii) any other Indebtedness expressly consented to in writing by Buyer.

(c) **Liens**. Seller shall not create, incur, assume or suffer to exist, any Lien upon or with respect to any portion of its interest in any Mineral Properties or any other real or personal property or assets, now owned or hereafter acquired, or assign or otherwise convey any right to receive the production, proceeds or income therefrom, other than Permitted Liens. Notwithstanding the foregoing, if a Credit Party shall grant a Lien on any of its properties or assets in violation of this Section 1.1(c), then it shall be deemed to have simultaneously granted an equal and ratable Lien on any such properties or assets to and in favor of the Buyer, to the extent that such a Lien has not already been granted to the Buyer.

(d) **Mergers, Etc**. Neither Credit Party shall enter into any reorganization, consolidation, amalgamation, arrangement, winding-up, merger or other similar transaction or convey, lease or Dispose of all or substantially all of its assets without the prior written consent of the Buyer.

(e) **Disposal of Assets Generally**. Seller shall not directly or indirectly, sell, transfer, assign, lease, release, abandon, exchange, loan, grant, option or otherwise dispose of any of its assets or properties, including, without limitation, all or any part of any Mineral Property or those assets and properties related to any Mineral Properties, except in the ordinary course of business or where such transaction would not cause a Material Adverse Effect.

(f) **Joint Venture Agreements, Etc**. Seller shall not enter into any option, joint venture, royalty or other similar agreement with respect to any of the Mineral Properties, without the prior written consent of the Buyer.

(g) **Transactions With Affiliates**. Neither Credit Party shall enter into or be a party to any transaction with any Affiliate unless such transaction is on fair and reasonable terms no less favorable to such Credit Party, as the case may be, than those that could have been obtained in a comparable transaction on an arm's length basis from an unrelated Person.

(h) **Change in Business**. Neither Credit Party shall directly or indirectly, engage in any business activities or operations different from their current business of exploring for and developing, operating and mining properties and activities and operations reasonably related thereto.

(i) **Restricted Payments**. Seller shall not pay any dividend on, or make any payment on account of, its Equity Interests or make any payment with respect to the Intercompany Loan unless (i) no Default or Event of Default shall have occurred and be continuing, (ii) after the making of such payment the Seller would have not less than [redacted], (iii) the Seller has made, and after the making of such payment the Seller would have working capital sufficient to make all capital investments required pursuant to an annual capital budget to be agreed upon by the Seller and the Buyer, and [redacted]. Notwithstanding the forgoing (a) the Seller shall be permitted to make payment on or about the Tranche 1 Closing Date and Tranche 2 Closing Date, respectively, as set forth in Section 2.4, and (b) any Subsidiary of Fortune Revenue shall be permitted to make dividend payments to Fortune Revenue.

amount deleted

provision related to timing of payment deleted

(j) **Acquisitions**. Seller shall not directly or indirectly, purchase any shares, stocks, bonds, notes, debentures, securities or other Equity Interests of any Person or acquire the undertaking of, or all or substantially all the assets of, any other Person other than pursuant to the Asset Purchase Agreement or with the consent of the Buyer, not to be unreasonably withheld.

(k) **Hedging**. Seller shall not enter into any Hedging Agreement on a margined or collateralized basis or of a speculative nature.

(l) **Organizational Documents**. Neither Credit Party shall amend or modify its Organizational Documents (or equivalent charter documents) in any manner adverse to the Buyer.

(m) **Change to Material Contracts**. Seller shall not (a) Enter into or agree to enter into any Material Contract, or (b) terminate, waive or make any amendment to, or assign any interest, in any Material Contract, except with the prior written consent of the Buyer, not to be unreasonably withheld.

(n) **Burdens on Production**. Seller shall not, permit, grant, sell, transfer, assign or convey, directly or indirectly, to any Person any royalty (of any kind or nature whatsoever, howsoever designated), production payment or other interest in any Mineral Property, other than to the Buyer.

(o) **Limitation on the Issuance of Shares**. Seller shall not sell, transfer or issue any Equity Interest other than to Fortune.

(p) **Payment of Indebtedness**. Seller shall not, directly or indirectly, voluntarily or involuntarily, purchase, redeem, defease or pay, repay or prepay any principal, interest or any other amount in relation to any Indebtedness, other than Permitted Indebtedness.

(q) **Restrictive and Inconsistent Agreements.** Enter into any agreement or undertaking or incur or suffer any obligation prohibiting or inconsistent with the performance by any Credit Party of its Obligations under the Transaction Documents or any Material Contract.

ARTICLE 9
EVENTS OF DEFAULT

9.1 Events of Default.

The occurrence of any of the following events shall constitute an "Event of Default" under this Agreement:

(a) **Non-payment/Non-Delivery.** The Seller shall fail to (i) repay the Metal Prepay Facility as and when due hereunder (whether at stated maturity, by prepayment, on demand or otherwise), or shall fail to deliver any Repayment Units Due as set forth in this Agreement including any additional Repayment Units Due under Section 4.3 for two (2) consecutive months (ii) pay interest hereunder when due (whether on a payment date, by prepayment, on demand or otherwise), or (iii) the Seller or any other Credit Party shall fail to pay any other amount due hereunder when due and, with respect to clauses (ii) and (iii), such failure continues for five (5) Business Days following the due date thereof.

(b) **Specific Defaults.** Any Credit Party shall fail to observe or perform any of its covenants contained in Article 8 of this Agreement or comply with the Use of Proceeds set forth in Schedule 2.4.

(c) **Other Defaults.** Any Credit Party shall fail to observe or perform any of its covenants contained in this Agreement or any other Credit Document, other than the covenants referred to in clauses (a) and (b) above, and, provided such default is capable of being cured but such Credit Party has not remedied such default within thirty (30) days after an officer of any such Credit Party becomes aware, or reasonably should have become aware thereof, whether by notice thereof by Buyer or otherwise.

(d) **Misrepresentation.** Any representation or warranty made by any Credit Party under or in connection with this Agreement or any of the other Credit Documents proves to have been incorrect, incomplete or misleading in any material respect; provided that such materiality qualifier above shall not be applicable to any portion of any representation and warranty that is already qualified or modified by materiality in the text thereof.

amount deleted

(e) **Cross-Default.** (i) The Seller shall fail to pay any indebtedness, Instrument or any guaranty of indebtedness or Instruments (x) constituting Existing Indebtedness or (y) otherwise in excess of [redacted] (or the equivalent thereof in any other currencies) in principal amount (but excluding indebtedness included in the Obligations), or any interest or premium thereon, when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise); or (ii) any other default (howsoever described) under any agreement or Instrument relating to any such indebtedness (or any guaranty thereof) or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or Instrument, if the effect of such default or event is to accelerate, or to permit the acceleration of, the maturity of such indebtedness or Instrument; or (iii) any such indebtedness or Instrument shall be declared (or is permitted to be declared) to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), prior to the stated maturity thereof.

(f) **Bankruptcy; Insolvency**. (i) Any Credit Party shall initiate or commence any case, proceeding or other action (A) under any existing or future Bankruptcy Law, or otherwise seeking to have it judged bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition or other relief (including any proceeding under corporate law involving or affecting its creditors) with respect to it or its debts, or (B) seeking the appointment of a receiver, trustee, receiver manager, liquidator, assignee, monitor, custodian, administrator, conservator or other similar official for it or for all or any substantial part of its assets, or any Credit Party shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against any Credit Party any case, proceeding or other action of a nature referred to in clause (i) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed or undischarged for a period of thirty (30) days; or (iii) there shall be commenced against any Credit Party any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of their assets which results in the entry of an order for any such relief which shall not have been vacated, discharged or stayed pending appeal within thirty (30) from the entry thereof; or (iv) any Credit Party shall take any action in furtherance of, or indicating its consent to, approval of, authorization of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) any Credit Party generally shall not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due.

amount deleted

(g) **Judgments**. A final judgment or order for the payment of money in excess of [redacted] (or the equivalent thereof in any other currencies) (to the extent not covered by independent third party insurance as to which the insurer does not dispute coverage) shall be rendered against any Credit Party and either: (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order; or (ii) there is a period of thirty (30) consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect for any period.

amount deleted

(h) **ERISA**. One or more ERISA Events shall have occurred which, when taken together with other ERISA Events that have occurred, has resulted or would reasonably be expected to result in liability to any Credit Party in an aggregate amount exceeding [redacted]

(i) **Security Interest**. Any Security Document shall, for any reason, cease to create a valid Lien having the Agreed Priority with respect to any of the Collateral purported to be covered thereby, or a Credit Party shall so state or claim.

(j) **Expropriation/Condemnation**. An Expropriation Event shall have occurred.

(k) **Regulatory Action**. Any Governmental Entity shall take any action with respect to any Credit Party, the Mineral Properties or the Collateral, which has, had or could reasonably be expected to have a Material Adverse Effect unless such action is set aside, dismissed or withdrawn within five (5) days of its institution or such action is being contested in good faith, its effect is stayed during such contest and the Credit Parties are allowed to continue development and operation of the Mineral Properties during such period.

(l) **Material Adverse Change**. A Material Adverse Effect shall have occurred.

(m) **Material Contract**. Any material default shall have occurred under any Material Contract and shall not have been remedied within thirty (30) days.

(n) **Cessation of Operations**. The Seller ceases to conduct work for a period of ten (10) Business Days and has taken actions to move either its employees or equipment off any of the Mineral Properties.

(o) **Tranche 2 Closing Date**. The Seller shall fail to satisfy the conditions precedent set forth in Section 6.2 and/or the Tranche 2 Advance not disbursed for any reason not caused by the Buyer (it being understood that the Buyer shall not be required to waive any condition precedent to such advance).

9.2 Acceleration.

Upon the occurrence of an Event of Default, Buyer may (a) declare its commitment to advance the Metal Prepay Facility hereunder to be terminated, whereupon the same shall terminate, and (b) declare all amounts owing hereunder to be immediately due and payable and all such amounts shall become and be due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Seller. Upon the occurrence of an Event of Default pursuant to Section 9.1(f), Buyer's commitment hereunder shall automatically be terminated, and all amounts owing hereunder shall automatically become due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Seller.

9.3 Remedies.

(a) Upon the occurrence of an Event of Default, all of the rights and remedies provided to Buyer in this Agreement and each other Credit Document shall immediately become available to Buyer, and Buyer shall have all other rights and remedies available at law or in equity.

(b) All rights and remedies of buyer set out in this Agreement and the other Credit Documents are cumulative, and no right or remedy contained herein or therein is intended to be exclusive; each such right or remedy is in addition to every other right and remedy contained in this Agreement and the other Credit Documents, or in any existing or future agreement, or now or in the future existing at law, in equity, by statute or otherwise.

(c) Except as expressly provided above in this Section 9.3, presentment, demand, protest and all other notices of any kind are hereby expressly waived.

ARTICLE 10
GUARANTEE

10.1 Guarantee.

The Guarantor hereby absolutely and unconditionally, jointly and severally guarantees, as primary obligor and as a guaranty of payment and performance and not merely as a guaranty of collection, prompt payment when due, whether at stated maturity, by required prepayment, upon acceleration, demand or otherwise, and at all times thereafter, of any and all Obligations (the "**Guaranteed Obligations**"); provided that the liability of the Guarantor individually with respect to this Guaranty shall be limited to an aggregate amount equal to the largest amount that would not render its obligations hereunder subject to avoidance under Section 548 of the Bankruptcy Code of the United States or any comparable provisions of any applicable state law or other Applicable Law. This Guaranty shall not be affected by the genuineness, validity, regularity or enforceability of the Obligations or any instrument or agreement evidencing any Obligations, or by the existence, validity, enforceability, perfection, non-perfection or extent of any collateral therefor, or by any fact or circumstance relating to the Obligations (except for the payment in part or full of the Obligations, to the extent of such payment) which might otherwise constitute a defense to the obligations of the Guarantors, or any of them, under this Guaranty, and the Guarantor hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to any or all of the foregoing.

10.2 Rights of the Buyer.

The Guarantor consents and agrees that the Buyer may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness hereof: (a) amend, extend, renew, compromise, discharge, accelerate or otherwise change the time for payment or the terms of the Obligations or any part thereof; (b) take, hold, exchange, enforce, waive, release, fail to perfect, sell, or otherwise dispose of any security for the payment of this Guaranty or any Obligations; (c) apply such security and direct the order or manner of sale thereof as the Buyer in its sole discretion may determine; and (d) release or substitute one or more of any endorsers or other guarantors of any of the Obligations. Without limiting the generality of the foregoing, the Guarantor consents to the taking of, or failure to take, any action which might in any manner or to any extent vary the risks of the Guarantor under this Guaranty or which, but for this provision, might operate as a discharge of the Guarantor.

10.3 Certain Waivers.

The Guarantor waives (a) any defense arising by reason of any disability or other defense of the Seller or any other guarantor (except for the payment in part or in full of the Obligations, to the extent of such payment), or the cessation from any cause whatsoever (including any act or omission of the Buyer; provided that the Guarantor shall not be liable for any obligation under Section 11.5 for which the Seller is not liable for as a result of the gross negligence or wilful misconduct of the Buyer) of the liability of the Seller or any other Credit Party; (b) any defense based on any claim that the Guarantor's obligations exceed or are more burdensome than those of the Seller or any other Credit Party; (c) the benefit of any statute of limitations affecting any Guarantor's liability hereunder; (d) any right to proceed against the Seller or any other Credit Party, proceed against or exhaust any security for the Obligations, or pursue any other remedy in the power of the Buyer whatsoever; (e) any benefit of and any right to participate in any security now or hereafter held by the Buyer; and (f) to the fullest extent permitted by law, any and all other defenses or benefits that may be derived from or afforded by Applicable Law limiting the liability of or exonerating guarantors or sureties. The Guarantor expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Obligations, and all notices of acceptance of this Guaranty or of the existence, creation or incurrence of new or additional Obligations.

10.4 Obligations Independent.

The obligations of the Guarantor hereunder are those of primary obligor, and not merely as surety, and are independent of the Obligations and the obligations of any other guarantor, and a separate action may be brought against the Guarantor to enforce this Guaranty whether or not the Seller or any other person or entity is joined as a party.

10.5 Subrogation.

No Guarantor shall exercise any right of subrogation, contribution, indemnity, reimbursement or similar rights with respect to any payments it makes under this Guaranty until all of the Obligations and any amounts payable under this Guaranty have been indefeasibly paid and performed in full and the commitments are terminated. If any amounts are paid to a Guarantor in violation of the foregoing limitation, then such amounts shall be held in trust for the benefit of the Buyer and shall forthwith be paid to the Buyer to reduce the amount of the Obligations, whether matured or unmatured.

10.6 Termination; Reinstatement.

This Guaranty is a continuing and irrevocable guaranty of all Obligations now or hereafter existing and shall remain in full force and effect until the indefeasible repayment in full of the Obligations. Notwithstanding the foregoing, this Guaranty shall continue in full force and effect or be revived, as the case may be, if any payment by or on behalf of the Seller or a Guarantor is made, or the Buyer exercises its right of setoff, in respect of the Obligations and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Applicable Law or otherwise, all as if such payment had not been made or such setoff had not occurred and whether or not the Buyer is in possession of or has released this Guaranty and regardless of any prior revocation, rescission, termination or reduction. The obligations of the Guarantor under this paragraph shall survive termination of this Guaranty.

10.7 Stay of Acceleration.

If acceleration of the time for payment of any of the Obligations is stayed, in connection with any case commenced by or against a Guarantor or the Seller under any Applicable Law, or otherwise, all such amounts shall nonetheless be payable by the Guarantor, jointly and severally, immediately upon demand by the Buyer..

10.8 Condition of Seller.

The Guarantor acknowledges and agrees that it has the sole responsibility for, and has adequate means of, obtaining from the Seller and any other guarantor such information concerning the financial condition, business and operations of the Seller and any such other guarantor as the Guarantor requires, and that the Buyer has no duty, and the Guarantor is not relying on the Buyer at any time, to disclose to it any information relating to the business, operations or financial condition of the Seller or any other guarantor (the Guarantor waiving any duty on the part of the Buyer to disclose such information and any defense relating to the failure to provide the same).

ARTICLE 11
MISCELLANEOUS

11.1 Amendments, etc.

No amendment of any of the Credit Documents is effective unless in writing and approved by Buyer and the relevant Credit Party. No waiver of any provision of any of the Credit Documents, nor consent to any departure by any Credit Party or any other Person from such provisions, is effective unless in writing and approved by Buyer. Any amendment, waiver or consent is effective only in the specific instance and for the specific purpose for which it was given.

11.2 Waiver.

(a) No failure on the part of Buyer to exercise, and no delay in exercising, any right under any of the Credit Documents shall operate as a waiver of such right; nor shall any single or partial exercise of any right under any of the Credit Documents preclude any other or further exercise of such right or the exercise of any other right.

(b) Except as otherwise expressly provided in this Agreement, the covenants, representations and warranties shall not merge on and shall survive the making of the Metal Prepay Facility and, notwithstanding any such advance or any investigation made by or on behalf of any party, shall continue in full force and effect.

11.3 Notices, etc.

Any notice, direction or other communication to be given under this Agreement shall, except as otherwise permitted, be in writing and given by delivering it or sending it by electronic mail or similar means of recorded communication addressed:

(a) to any Credit Party or Fortune at:

Fortune Minerals Limited
148 Fullarton Street, Suite 1600
London, Ontario N6A 5P3
Attention: Robin Goad, President
Facsimile: (519) 858-8155
E-Mail: rgoad@fortuneminerals.com

(b) to the Buyer at:

c/o Lascaux Resource Capital Partners, LLC
777 Third Avenue, 25th Floor
New York, New York 10017
Attention: Elliot Rothstein and David Kaplan
Facsimile: (212) 508-2222
E-Mail: elliot.rothstein@lascauxrc.com
david.kaplan@lascauxrc.com

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (New York, New York time), otherwise on the next Business Day, (ii) transmitted by electronic mail or similar means of recorded communication on the Business Day following the date of transmission. Any party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to the party at its changed address.

11.4 Costs, Expenses General Indemnity and Environmental Indemnity.

(a) Each Credit Party shall, whether or not the transactions contemplated in this Agreement are completed, indemnify and defend and hold Buyer and each of Buyer's Related Parties (each an "**Indemnified Person**") harmless from, and shall pay to such Indemnified Person promptly (and in any event within five (5) Business Days of demand) all amounts required to compensate the Indemnified Person for, any cost, expense, liability, obligation, loss, damage, penalty, action, judgment, fine, suit, charge, claim, taxes, payments or disbursements of any kind or nature whatsoever, including attorneys payments and expenses imposed on, incurred by, suffered by or asserted against, the Indemnified Person as a result of, connected with or arising out of (i) the preparation, execution and delivery of, preservation of rights under, enforcement of, or refinancing, renegotiation or restructuring of, any present or future Credit Document and any related amendment, waiver or consent, as well as the consummation of the transactions contemplated thereby; provided that, with respect to such costs and expenses reimbursed pursuant to this clause (i), such costs and expenses shall be reasonable and documented out of pocket costs and expenses, (ii) any advice of counsel as to the rights and duties of Buyer with respect to the administration of the Credit Documents or any transaction contemplated under the Credit Documents; provided that, with respect to such costs and expenses reimbursed pursuant to this clause (ii), such costs and expenses shall be reasonable and documented out of pocket costs and expenses, (iii) any default (whether or not constituting a Default or an Event of Default) by a Credit Party, and (iv) any proceedings brought by or against the Indemnified Person, or in which the Indemnified Person otherwise participates, due to its entering into or being a party to any of the Credit Documents (provided that, with respect to such costs and expenses reimbursed pursuant to this clause (iv) for entering into or being a party to such Credit Documents, such costs and expenses shall be reasonable and documented out of pocket costs and expenses), or by reason of its exercising or performing, or causing the exercise or performance of, any right, power or obligation under any of the Credit Documents or otherwise in connection with its interest in any Collateral, whether or not such proceedings are directly related to the enforcement of any Credit Document, except in each case to the extent directly caused by the gross negligence or wilful misconduct of the Indemnified Person.

(b) Each Credit Party shall, whether or not the transactions contemplated in this Agreement are completed, indemnify and hold harmless and agrees to defend the Indemnified Persons against any cost, expense, liability, obligation, loss, damage, penalty, action, judgment, fine, suit, charge, claim, taxes, payments or disbursements of any kind or nature whatsoever (including strict liability and including costs and expenses of investigation, abatement and remediation and monitoring of spills or Releases or threatened Releases of Hazardous Materials or other Contaminants, and including liabilities of the Indemnified Persons to third parties (including Governmental Entities) in respect of bodily injuries, property damage, damage to or impairment of the environment or any other injury or damage and including liabilities of the Indemnified Persons to third parties for the third parties' foreseeable and unforeseeable consequential damages) incurred as a result of or in connection with the administration or enforcement of this Agreement or any other Credit Document, including the exercise by Buyer of any rights hereunder or under any of the other Credit Documents, which result from or relate, directly or indirectly, to:

(i) the presence, Release or threatened Release of any Hazardous Material or other Contaminants, by any means or for any reason, whether or not such presence, Release or threatened Release of Hazardous Materials or other Contaminants was under the control, care or management of a Credit Party or of a previous owner, operator, tenant or other Person;

(ii) any Release, presence, use, creation, transportation, storage or disposal of any Hazardous Material or Contaminant on or with respect to the property or the business, operations or activities of any Credit Party;

(iii) any claim or order for any clean-up, restoration, detoxification, reclamation, repair or other securing or remedial action which relates to any property or the business, operations or activities of any Credit Party;

(iv) any Environmental Claim with respect to any property of any Credit Party or any Credit Party; or

(v) the breach or violation or alleged breach or violation of any Environmental Laws by a Credit Party.

except in each case, as determined by a court of competent jurisdiction by final and non-appealable judgment, to have resulted from the gross negligence or wilful misconduct of the Indemnified Person.

For purposes of this Section 11.5(b), "**liability**" shall include (a) liability of an Indemnified Person for costs and expenses of abatement and remediation of spills and releases of Contaminants where such abatement and remediation is prudent for the continued operation of the business of such Person or required by Environmental Laws and to the extent required to maintain the value and use of the Collateral, (b) liability of an Indemnified Person to a third party to reimburse the third party for bodily injuries, property damages and other injuries or damages which the third party suffers, including (to the extent, if any, that the Indemnified

Person is liable therefor) foreseeable and unforeseeable consequential damages suffered by the third party, (c) liability of the Indemnified Person for damage suffered by the third party, (d) liability of an Indemnified Person for damage to or impairment of the environment and (e) liability of an Indemnified Person for court costs, expenses of alternative dispute resolution proceedings, and payments and disbursements of expert consultants and legal counsel on a solicitor and own client basis.

(c) The provisions of this Section 11.4 shall survive the termination of this Agreement and the repayment of all Obligations. Each Credit Party acknowledges that neither its obligation to indemnify nor any actual indemnification by it of Buyer or any other Indemnified Person in respect of such Person's losses for the legal payments and expenses shall in any way affect the confidentiality or privilege relating to any information (other than as necessary to invoice any amount of legal payments and expenses) communicated by such Person to its counsel.

11.5 Increased Costs.

(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory Metal Prepay Facility, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, Buyer;

(ii) subject Buyer to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its Metal Prepay Facility, Metal Prepay Facility principal, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on Buyer any other condition, cost or expense (other than Taxes) affecting this Agreement or Metal Prepay Facility made hereunder or participation therein;

and the result of any of the foregoing shall be to increase the cost to Buyer of making, continuing or maintaining any Metal Prepay Facility or of maintaining its obligation to make any such Metal Prepay Facility, or to increase the cost to, or to reduce the amount of any sum received or receivable by Buyer hereunder (whether of principal, interest or any other amount) then, upon request of Buyer, the Seller will pay to such Buyer such additional amount or amounts as will compensate Buyer for such additional costs incurred or reduction suffered.

(b) If Buyer determines that any Change in Law affecting Buyer regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on Buyer's capital as a consequence of this Agreement, the commitments of Buyer or the Metal Prepay Facility made by Buyer to a level below that which Buyer could have achieved but for such Change in Law (taking into consideration Buyer's policies with respect to capital adequacy), then from time to time the Seller will pay to Buyer such additional amount or amounts as will compensate Buyer for any such reduction suffered.

(c) A certificate of Buyer setting forth the amount or amounts necessary to compensate Buyer as specified in paragraph (a) or (b) of this Section and delivered to the Seller, shall be conclusive absent manifest error. The Seller shall pay Buyer the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Failure or delay on the part of Buyer to demand compensation pursuant to this Section shall not constitute a waiver of Buyer's right to demand such compensation; provided that the Seller shall not be required to compensate Buyer pursuant to this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that Buyer notifies the Seller of the Change in Law giving rise to such increased costs or reductions, and of Buyer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

11.6 Taxes.

(a) For purposes of this Section 11.6, the term "Applicable Law" includes FATCA.

(b) Any and all payments by or on account of any obligation of any Credit Party under any Credit Document shall be made free and clear and without deduction or withholding for any Taxes, except as required by Applicable Law. If any Applicable Law (as determined in the good faith discretion of the applicable Credit Party) requires the deduction or withholding of any Tax from any such payment by the applicable Credit Party to Buyer, then the applicable Credit Party shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Entity in accordance with Applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Credit Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) Buyer receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(c) The Credit Parties shall timely pay to the relevant Governmental Entity in accordance with Applicable Law, or at the option of Buyer timely reimburse it for the payment of, any Other Taxes.

(d) The Credit Parties shall jointly and severally indemnify Buyer for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by Buyer or required to be withheld or deducted from a payment to Buyer and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Entity. The applicable Credit Party shall make payment within ten (10) days after written demand for any amount payable under this Section 11.6. A certificate as to the amount of such payment or liability delivered to the Seller by Buyer shall be conclusive absent manifest error.

(e) As soon as practicable after any payment of Taxes by any Credit Party to a Governmental Entity pursuant to this Section 11.6, such Credit Party shall deliver to Buyer the original or a certified copy of a receipt issued by such Governmental Entity evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to Buyer.

(f) (i) If Buyer is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Credit Document, it shall deliver to the Seller, at the time or times reasonably requested by the Seller, such properly completed and executed documentation reasonably requested by the Seller as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, Buyer, if reasonably requested by the Seller, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Seller as will enable the Seller to determine whether or not Buyer is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation shall not be required if in Buyer's reasonable judgment such completion, execution or submission would subject Buyer to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of Buyer.

(ii) If any form or certification previously delivered by Buyer pursuant to this Section 11.6(f) expires or becomes obsolete or inaccurate in any respect, Buyer shall promptly update the form or certification or notify the Seller in writing of its inability to do so.

(g) If Buyer determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 11.6, or with respect to which a Credit Party has paid additional amounts pursuant to this Section 11.6, it shall pay to the applicable Credit Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by Buyer and without interest (other than any interest paid by the relevant Governmental Entity with respect to such refund). The Credit Party, upon the request of Buyer, shall repay to such indemnified party the amount paid over pursuant to this paragraph (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Entity) in the event that Buyer is required to repay such refund to such Governmental Entity. Notwithstanding anything to the contrary in this paragraph (g), in no event will Buyer be required to pay any amount to a Credit Party pursuant to this paragraph (g) the payment of which would place Buyer in a less favorable net after-Tax position than Buyer would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require Buyer to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the Credit Party or any other Person.

(h) Each party's obligations under this Section 11.6 shall survive the resignation or replacement of Buyer or any assignment of rights by Buyer, the termination of the commitments and the repayment, satisfaction or discharge of all obligations under any Credit Document.

11.7 Successors and Assigns.

(a) None of the Credit Parties shall have the right to assign or transfer any of its rights or obligations under this Agreement or any interest in this Agreement without the prior written consent of Buyer in its sole discretion.

(b) Buyer may assign or transfer any of its rights, interests or obligations (in whole or in part) under this Agreement and any other Credit Document (i) to any Affiliate of Buyer without the consent of any Credit Party or (ii) to any other Person with the consent of the Seller (which consent shall not be unreasonably withheld or delayed). If any consent is requested and no response is received by Buyer within five (5) Business Days of such request, the Seller shall be deemed to have given its consent. In the case of any such assignment or transfer authorized under this Section 11.7, the assignee or transferee (as the case may be) shall have, to the extent of such assignment or transfer, the same rights, benefits and obligations as it would if it were Buyer hereunder and Buyer shall be relieved of its obligations hereunder with respect to the commitments assigned or transferred; provided that an assignee or transferee (as the case may be) shall not be entitled to receive any greater payment under any provision of any Credit Document than Buyer would have been entitled to receive. Each of the Credit Parties hereby acknowledges and agrees that any assignment or transfer will give rise to a direct obligation of the Credit Parties to such assignee or transferee (as the case may be) and that such assignee or transferee (as the case may be) shall be considered to be "Buyer" hereunder. Buyer may furnish any information concerning the Credit Parties in its possession from time to time to assignees and transferees provided that any such assignee or transferee agrees to maintain the confidentiality of such information.

(c) The Credit Parties shall provide such certificates, acknowledgments and further assurances in respect of this Agreement and the Credit Documents as Buyer may reasonably require in connection with any assignment pursuant to this Section 11.7.

11.8 Right of Set-off.

Upon the occurrence and during the continuance of any Event of Default, Buyer is authorized at any time and from time to time, to the fullest extent permitted by law (including general principles of common-law), to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by it to or for the credit or the account of any Credit Party against any and all of the obligations of any Credit Party under any of the Credit Documents, irrespective of whether or not Buyer has made demand under any of the Credit Documents and although such obligations may be unmatured or contingent. If an obligation is unascertained, Buyer may, in good faith, estimate the obligation and exercise its right of set-off in respect of the estimate, subject to providing the applicable Credit Party with an accounting when the obligation is finally determined. Buyer shall promptly notify the applicable Credit Party after any set off and application is made by it, provided that the failure to give notice shall not affect the validity of the set off and application. The rights of Buyer under this Section 11.8 are in addition to any other rights and remedies (including all other rights of set-off) which Buyer may have.

11.9 Judgment Currency.

(a) If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due to Buyer in any currency (the "**Original Currency**") into another currency (the "**Other Currency**"), the parties agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which, in accordance with normal banking procedures, Buyer could purchase the Original Currency with the Other Currency on the Business Day preceding the day on which final judgment is given or, if permitted by Applicable Law, on the day on which the judgment is paid or satisfied.

(b) The obligations of the Credit Parties in respect of any sum due in the Original Currency from it to Buyer under any of the Credit Documents shall, notwithstanding any judgment in any Other Currency, be discharged only to the extent that on the Business Day following receipt by Buyer of any sum adjudged to be so due in the Other Currency, Buyer may, in accordance with normal banking procedures, purchase the Original Currency with such Other Currency. If the amount of the Original Currency so purchased is less than the sum originally due to Buyer in the Original Currency, the Credit Parties agree, as a separate obligation and notwithstanding the judgment, to indemnify Buyer, against any loss, and, if the amount of the Original Currency so purchased exceeds the sum originally due to Buyer in the Original Currency, Buyer shall remit such excess to the applicable Credit Parties.

11.10 Governing Law, Jurisdiction, Waiver of Jury Trial, Etc.

(a) This Agreement and the other Credit Documents and any claims, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement or any other Credit Document (except, as to any other Credit Document, as expressly set forth therein) and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the law of the State of New York.

(b) Each Credit Party irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against Buyer or any Related Party of the foregoing in any way relating to this Agreement or any other Credit Document or the transactions relating hereto or thereto, in any forum other than the courts of the State of New York sitting in New York County, and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any other Credit Document shall affect any right that Buyer may otherwise have to bring any action or proceeding relating to this Agreement or any other Credit Document against the Seller or any other Credit Party or its properties in the courts of any jurisdiction.

(c) The Seller and each other Credit Party irrevocably and unconditionally waives, to the fullest extent permitted by Applicable Law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any other Credit Document in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party hereto irrevocably consents to service of process in the manner provided for notices in Section 11.3. Nothing in this Agreement will affect the right of any party hereto to serve process in any other manner permitted by Applicable Law.

(e) EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (i) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (ii) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER CREDIT DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

11.11 Counterparts.

This Agreement and any amendments, waivers, consents, or supplements may be executed in any number of counterparts in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all of which counterparts together shall constitute one and the same instrument. This Agreement shall become effective upon the execution of a counterpart hereof by each of the parties. This Agreement may be validly executed and delivered by facsimile, portable document format (.pdf) or other electronic transmission, and delivery of an executed counterpart of a signature page to this Agreement, any amendment, waiver, consent or supplement, or to any other Credit Document, by facsimile, portable document format (.pdf) or other electronic delivery (including e-mail) shall be as effective and binding as delivery of a manually executed counterpart thereof.

11.12 Severability.

If any provision hereof is determined to be ineffective, invalid, illegal or unenforceable for any reason, the remaining provisions hereof shall remain in full force and effect, binding on and enforceable against the parties.

11.13 Entire Agreement; Schedules and Exhibits.

The Schedules to this Agreement and the Exhibits to this Agreement form an integral part of this Agreement and are incorporated herein by reference and expressly made a part hereof. This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof, superseding all prior statements, representations, discussions, agreements and understandings, oral or written, relating to such subject matter.

11.14 Further Assurances.

Each Credit Party shall execute, acknowledge and deliver to the Buyer such other and further documents and Instruments and do or cause to be done such other acts as the Buyer reasonably determines to be necessary or desirable to effect the intent of the parties to this Agreement or otherwise to protect and preserve the interests of the Buyer hereunder, promptly upon request of the Buyer, including the execution and delivery of any and all documents and Instruments which are necessary or advisable to create, protect or maintain in favor of the Buyer, Liens (with the Agreed Priority) on all Collateral of the Credit Parties as may be required by this Agreement or any Security Document that are duly perfected in accordance with all Applicable Laws.

11.15 Canadian Provisions.

For the purposes of the Interest Act (Canada) and disclosure thereunder, whenever any interest or any payment to be paid hereunder or in connection herewith by is to be calculated on the basis of a 360-day or 365-day year, the yearly rate of interest to which the rate used in such calculation is equivalent is the rate so used multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by 360 or 365, as applicable. The rates of interest under this Agreement are nominal rates, and not effective rates or yields. The principle of deemed reinvestment of interest does not apply to any interest calculation under this Agreement.

If any provision of this Agreement or of any of the other Credit Documents would obligate any Credit Party that is a Canadian Person to make any payment of interest or other amount payable to the Buyer in an amount or calculated at a rate which would be prohibited by Applicable Law or would result in a receipt by the Buyer of interest at a criminal rate (as such terms are construed under the Criminal Code (Canada)) then, notwithstanding such provisions, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by Applicable Law or so result in a receipt by the Buyer of interest at a criminal rate, such adjustment to be effected, to the extent necessary, as follows: firstly, by reducing the amount or rate of interest required to be paid to the Buyer under the applicable Credit Document, and thereafter, by reducing any fee payments, commissions, premiums and other amounts required to be paid to the Buyer which would constitute "interest" for purposes of Section 347 of the Criminal Code (Canada).

[*Signatures on following page.*]

IN WITNESS WHEREOF the parties have executed this Senior Secured Metal Prepay Agreement.

SELLER:

FORTUNE REVENUE SILVER MINES, INC.

By: ____________________________
Name: Robin E. Goad.
Title: President.

GUARANTOR:

FORTUNE MINERALS LIMITED

By: ____________________________
Name: Robin E. Goad
Title: President.

BUYER:

LRC-FRSM LLC

By: Lascaux Resource Capital Partners, LLC
its Manager

By: ______________________
Name: Elliot Rothstein
Title: Authorized Signatory

By: ______________________
Name: David Kaplan
Title: Authorized Signatory

[Signature Page to Senior Secured Metal Prepay Agreement]

EXHIBIT A – ADVANCE NOTICE

ADVANCE NOTICE

TO: **LRC-FRSM LLC (the "Buyer")**
777 Third Avenue, 25th Floor
New York, New York 10017

Attention: Elliot Rothstein and David Kaplan

DATE: ________________, 2014

This notice of borrowing (this "**Advance Notice**") is delivered pursuant to that certain Senior Secured Metal Prepayment Agreement dated as of the October __, 2014 (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "**Agreement**") among Fortune Revenue Silver Mines, Inc. (the "Seller"), the Guarantors from time to time party thereto and the Buyer. Capitalized terms used herein without definition shall have the meaning ascribed to such term in the Agreement.

This Advance Notice is irrevocable and represents the Seller's request to borrow, and the following information is provided pursuant to Section 2.3 of the Credit Agreement.

1. Date of Requested Borrowing: __________________, 2014

2. Amount of Requested Metal Prepay Facility: $________________

3. Advance Details:

The Advance requested hereby may be made for the credit of the Seller by wire transfer of the funds to:

Name of Bank:
Address of Bank:
Account Name:
Account Number:
Transit Number:
ABA Number:
SWIFT Code:

[NTD: Insert details for third-party payments contemplated by Section 2.4 to be made directly to such third parties]

The Seller hereby authorizes the Buyer to withhold and retain from this advance pursuant to Section 6.1, Section 6.2 and Section 6.3 of the Agreement $_____________ as repayment for certain costs, expenses and payments incurred by the Buyer in connection with the Metal Prepay Facility.

4. <u>Certifications</u>: The Seller hereby certifies on its own behalf and on behalf of each of the Credit Parties that:

(a) the representations and warranties of the Seller and each other Credit Party set forth in the Credit Documents are true and correct in all material respects as of the date of this Advance Notice except to the extent that any such representation or warranty specifically refers to an earlier date, in which case such representation or warranty is true and correct in all material respects as of such earlier date; provided that such materiality qualifier above shall not be applicable to any portion of any representation and warranty that is already qualified or modified by materiality in the text thereof;

(b) this advance shall be used exclusively for the following purposes specified in the Use of Proceeds set out in Schedule 2.4 to the Agreement:

[and for the following purposes that deviate from the Use of Proceeds set out in Schedule 2.4 to the Agreement:

(c) as of the date of this Advance Notice, no Default shall exist, or would result from such proposed advance or from the application of the proceeds thereof; and

(d) since December 31, 2013, there has been no change, event or occurrence that has, had, or could reasonably be expected to have, a Material Adverse Effect.

[*the following page is the signature page*]

IN WITNESS WHEREOF, this Advance Notice has been duly executed and delivered by a duly authorized officer of the undersigned as of the date first above written.

FORTUNE REVENUE SILVER MINES, INC.

By:_________________________________
Name:

EXHIBIT B – COMPLIANCE CERTIFICATE

COMPLIANCE CERTIFICATE

TO: LRC-FRSM LLC (the "Buyer")
777 Third Avenue, 25th Floor
New York, New York 10017

Attention: Elliot Rothstein and David Kaplan

The undersigned refers to that certain Senior Secured Metal Prepay Agreement dated as of October __, 2014 (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "**Agreement**") among Fortune Revenue Silver Mines, Inc. (the "**Seller**"), the Guarantors from time to time party thereto and the Buyer. Capitalized terms used herein without definition are so used as defined in the Credit Agreement.

I, the undersigned, ___________ being the ___________ of the Seller, certify, without personal liability, to the Buyer, that on this __ day of _____, 2014 (the "**Determination Date**"):

1. The financial statements attached hereto as Exhibit A represent the consolidated financials of Seller for the Financial [Quarter/Year] ended ________________ and such financial statements are complete and correct in all material respects and have been prepared in accordance with IFRS and Applicable Securities Legislation and fairly present the financial position, results of operations and cash flows for such period, subject to normal year-end adjustments and the absence of footnotes.

2. The representations and warranties of the Seller and each other Credit Party set forth in the Credit Documents are true and correct in all material respects except to the extent that any such representation or warranty specifically refers to an earlier date, in which case such representation or warranty is true and correct in all material respects as of such earlier date; provided that such materiality qualifier shall not be applicable to any portion of any representation and warranty that is already qualified or modified by materiality in the text thereof.

3. As of the date of this Compliance Certificate, no Default exists, except for such conditions or events listed on Schedule 1 attached hereto, specifying the nature and period of existence thereof and what action the Credit Parties have taken, or are taking and propose to take, if any, with respect thereto.

DATED this __ day of_______________, 2014.

By: ___________________________________

Name:

Title:

EXHIBIT C - SOLVENCY CERTIFICATE

TO: LRC-FRSM LLC (the "Buyer")
777 Third Avenue, 25th Floor
New York, New York 10017

Attention: Elliot Rothstein and David Kaplan

The undersigned refers to that certain Senior Secured Metal Prepay Agreement dated on or about the date hereof (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "**Agreement**") among Fortune Revenue Silver Mines, Inc. (the "Seller"), the Guarantors from time to time party thereto and the Buyer. Capitalized terms used herein without definition are so used as defined in the Credit Agreement.

I, the undersigned, ____________ being the _____________ of the Seller, certify, without personal liability, to the Buyer, that on this __ day of _______, 2014 (the "**Determination Date**"):

1. I have read Section 6.1(g) and other provisions of the Credit Agreement which are relevant to this certificate and have made such examinations or investigations as are necessary to enable me to express an informed opinion on the matters contained in this certificate.

2. As at this date each Credit Party is Solvent, including, without limitation, that each such Credit Party:

   (a) may legally enter into and perform the Obligations under the Credit Documents to which they are a party;

   (b) are able to pay their debts and meet their obligations as they become due in the ordinary course of business;

   (c) will not be rendered insolvent by virtue of any advance to be made under the Credit Agreement;

   (d) will not engage, and are not about to engage, in business or transactions which will cause them to be left with an unreasonably small amount of capital;

   (e) have not incurred Indebtedness or liabilities beyond their ability to pay on a timely basis; and

   (f) are otherwise solvent under Applicable Law.

3. I acknowledge and agree on behalf of the Seller that this certificate constitutes a "**Credit Document**" for the purposes of the Credit Agreement.

DATED this __ day of_______________, 2014.

By: ________________________________

Name:

Title:

EXHIBIT D – SELLER SECURITY AGREEMENT

SECURITY AGREEMENT

This SECURITY AGREEMENT dated as of October 1, 2014 (this "Agreement") is entered into between FORTUNE REVENUE SILVER MINES, INC. ("Pledgor") in favor of LRC-FRSM LLC or any of its designated Affiliates (including any special purpose vehicle formed to fund any portion of the Metal Prepay Facility) (collectively, the "Buyer").

Concurrently herewith, Fortune Minerals Limited (the "Parent") and Pledgor are entering into that certain Senior Secured Metal Prepay Agreement dated as of October 1, 2014 (as amended or otherwise modified from time to time, the "Metal Prepay Agreement") with the Buyer. Capitalized terms used herein but not otherwise defined (x) shall have the meaning given to such terms in the Metal Prepay Agreement and (y) which are defined in the UCC have the respective meanings given them in the UCC and if defined in more than one article of the UCC, such terms will have the meaning defined in Article 9 of the UCC.

1. Grant of Security.

As collateral security for the punctual payment and performance of all the Obligations (including the Guaranteed Obligations), Pledgor hereby assigns, pledges and grants to the Buyer a continuing first priority security interest in and lien upon all right, title and interest of Pledgor in and to: (a) all accounts; (b) all chattel paper (including electronic chattel paper and tangible chattel paper); (c) all commercial tort claims to the extent they have been identified or described to the Buyer in writing; (d) all deposit accounts; (e) all documents; (f) all general intangibles, including intellectual property (inclusive of the intellectual property listed on Schedule A hereto) and payment intangibles; (g) all goods, including equipment, fixtures and inventory (inclusive of all equipment and fixtures listed on Schedule B hereto); (h) all instruments; (i) all investment property (including those equity interest and other rights listed on Schedule C hereto); (j) all mineral estates, mineral claims under state law, patented and unpatented federal lode, placer and millsite mining claims, mining leases, surface and subsurface leases, licenses, sublicenses, royalty interests, overriding royalty interests, production payment interests, net profit interests, net smelter return interests, joint venture agreements and other rights in mineral estates, ore bodies or production, and any other interests associated with the real property or rights to real property of Pledgor whether (x) described on Schedule D hereto or in any document of record described on Schedule D hereto, (y) covering or relating to all or any part of the real property or rights to real property of Pledgor whether or not described on Schedule D hereto, or (z) covered by any agreement to which any such interest or any other estate, property right or other such interest is subject (collectively, the "Mining Interests"); (k) all letter of credit rights and supporting obligations; (l) all cash, cash equivalents or other personal property assets that now or hereafter come into the possession of Pledgor; (m) all books and records pertaining to the collateral; (n) all additions to and substitutions for any of the foregoing; (o) all present and future rights, claims, remedies and privileges of Pledgor pertaining to any of the foregoing; and (p) all proceeds, products and profits of any of the foregoing (including proceeds of proceeds, proceeds of insurance policies and claims against third parties), in each case whether now existing or hereafter arising or acquired (collectively, the "Collateral").

Notwithstanding anything to the contrary, in no event shall the security interest granted herein attach to and the Collateral will not include (x) any application for a trademark that would otherwise be deemed invalidated, cancelled or abandoned due to the grant of a lien thereon unless and until such time as the grant of such lien will not affect the validity of such trademark, or (y) any rights or interests in any lease, license, contract, or agreement, as such or the assets subject thereto, including without limitation, interests in partnerships, joint ventures or other such non-wholly owned subsidiaries, if under the terms of such lease, license, contract, or agreement, or applicable law with respect thereto, the valid grant of a Lien therein or in such assets to the Buyer is prohibited and such prohibition has not been or is not waived or the consent of the other party to such lease, license, contract, or agreement has not been or is not otherwise obtained (without any obligation, unless otherwise specifically provided in the Metal Prepay Facility Documents, to pursue such consents or waivers) or under applicable law such prohibition cannot be waived; provided, however, that the foregoing exclusions will in no way be construed (1) to apply if any such prohibition would be rendered ineffective under the UCC (including Sections 9-406, 9-407 and 9-408 thereof) or other applicable law (including the Bankruptcy Code) or principles of equity, (2) so as to limit, impair or otherwise affect the Buyer's unconditional continuing Liens upon any rights or interests of Pledgor in or to the proceeds thereof (including proceeds from the sale, license, lease or other disposition thereof), including monies due or to become due under any such lease, license, contract, or agreement (including any accounts or other receivables), or (3) to apply at such time as the condition causing such prohibition is remedied and, to the extent severable, "Collateral" will include any portion of such lease, license, contract, agreement or assets subject thereto that does not result in such prohibition.

2. **Representations and Warranties**. Pledgor represents and warrants to the Buyer that:

(a) the name of Pledgor set forth on the signature page to this Agreement ("Pledgor Information") is as it appears in the Organizational Documents filed by Pledgor with the Secretary of State or other applicable Governmental Entity in its state or province of incorporation or organization;

(b) Pledgor owns good title to each item of Collateral (including the Mining Interests) in which it has any rights (except to the extent disposed of in accordance with the terms of the Metal Prepay Facility Documents);

(c) Pledgor has the power to grant the security interest and the Lien upon the Collateral upon which it purports to grant a security interest in and Lien hereunder and such Collateral is free and clear of any and all Liens other than Liens permitted by the Metal Prepay Facility Documents;

(d) no effective security agreement, UCC financing statement, equivalent security or Lien instrument or continuation statement covering all or any part of the collateral is on file or of record in any public office, except such as may have been filed (i) in favor of the Buyer pursuant to this Agreement or any other Metal Prepay Facility Document or (ii) in connection with any other Lien permitted by the Metal Prepay Facility Documents;

(e) all Collateral which consists of equity interests has been validly acquired and validly issued, and is fully paid and non-assessable and no Collateral is evidenced or represented by any certificate, note or chattel paper other than such as has been delivered to the Buyer together with the appropriate transfer powers or other instruments of transfer therefor;

(f) Pledgor is and at all times will continue to be the legal and beneficial owner of the Collateral;

(g) this Agreement is effective to create a valid and continuing security interest in the Collateral, and upon the acceptance for filing of the financing statements with the applicable governmental authority naming Pledgor as "debtor" and the Buyer as "secured party" and describing the Collateral as "all assets" by the applicable UCC filing office, such security interest will be perfected in favor of the Buyer in that portion of the Collateral as comprises Collateral under the UCC with respect to which a security interest may be perfected by filing of financing statements pursuant to the UCC;

(h) none of the Collateral consists of, or is the proceeds of: (i) consumer goods; (ii) farm products; (iii) manufactured homes; (iv) standing timber; (v) an aircraft, airframe, aircraft engine or related property; (vi) an aircraft leasehold interest; or (vii) any other interest in or to any of the foregoing; and

(i) as to all limited liability company interests, partnership interests or any other interest (including in any joint venture) issued under any agreement pledged hereunder (including such agreements listed on <u>Schedule A</u> hereto), such pledged interests: (i) are not dealt in or traded on securities exchanges or in the securities markets; (ii) do not constitute investment company securities; and (iii) are not held by Pledgor in any securities account unless Pledgor has delivered a control agreement to the Buyer for such securities account. In addition, none of such pledged interests and agreements, or any other agreements governing any of the pledged interests provide that such pledged interests are securities governed by Article 8 of the UCC.

3. <u>Covenants; Certain Waivers</u>.

(a) Pledgor covenants and agrees with the Buyer that until the Obligations have been paid in full:

(i) the Buyer's sole duty with respect to the Collateral is to use such care as it uses for similar property for its own account, and the Buyer shall not be obligated to preserve rights in the Collateral against prior parties;

(ii) Pledgor will be responsible for all matters relating to the Collateral;

(iii) Pledgor:

(A) will not, and will not purport to, (1) grant or suffer Liens against the Collateral without the Buyer's prior written consent, other than Permitted Liens; (2) sell, transfer or dispose of any Collateral without the Buyer's prior written consent, other than sales, transfers and dispositions permitted by the Metal Prepay Agreement; or (3) grant any overriding royalty interests in the Mining Interests;

(B) will from time to time take all actions (including delivering physical possession of such Collateral to the Buyer and, subject to Section 8.1(cc) of the Metal Prepay Agreement, entering into any control agreement requested by the Buyer and otherwise cooperate with the Buyer in maintaining control with respect to that Collateral in which a security interest may be perfected by control pursuant to the UCC or other Applicable Law) and make all filings, registrations and recordations reasonably requested by the Buyer in connection with the Buyer's security interest in the Collateral; and

(C) will hold in trust for, and forthwith pay over to, the Buyer in the form received (except for any necessary endorsements) any chattel paper, letter of credit rights, securities and other investment property, and instruments constituting Collateral and all proceeds or distributions received by Pledgor on account of any such Collateral;

(iv) Pledgor will, promptly after the request of the Buyer, use commercially reasonable efforts to obtain collateral access agreements, landlord consents, and waivers or subordinations of Liens from landlords and mortgagees with respect to any location where Pledgor maintains any Collateral;

(v) Subject to Section 8.1(cc) of the Metal Prepay Agreement, Pledgor will, promptly after the request of the Buyer, with respect to any deposit account or securities account as to which Pledgor is the customer or in which any financial assets of Pledgor (other than (x) pension fund and other similar employee benefit accounts and (y) payroll and tax withholding accounts) are carried, enter into, and use commercially reasonable efforts to cause the applicable depository institution or securities intermediary to enter into, a control agreement in form and substance satisfactory to the Buyer;

(vi) at any time during the continuance of an Event of Default, (A) the Buyer may transfer all or any part of the Collateral to the Buyer's name or that of its nominee, and exercise all rights as if the absolute owner thereof, and file a proof of claim for, receive payments or distributions on, and exchange or release Collateral in any bankruptcy, insolvency or similar proceeding involving Pledgor and (B) the Buyer may commence such legal actions as may be required or convenient to transfer all or any part of the Collateral to the Buyer's name or that of its nominee, and exercise all rights as if the absolute owner thereof, and file a proof of claim for, receive payments or distributions on, and exchange or release Collateral in any bankruptcy, insolvency or similar proceeding involving Pledgor;

(vii) the Buyer is authorized to file financing statements and/or a copy of this Agreement and give notice to third parties regarding the Collateral without Pledgor's signature to the extent permitted by Applicable Law;

(viii) Pledgor will not change the Pledgor Information or its corporate headquarters location without giving prompt written notice of such change to the Buyer;

(ix) the Buyer may rely upon any written (including fax), telephonic or oral communication in good faith believed by the Buyer to have been authorized by Pledgor; provided, however, that if any such communication is oral or telephonic, it shall be promptly confirmed in writing (including by fax) (but the lack of such confirmation or any conflict between such confirmation and the relevant telephonic or oral communications shall not affect any action taken by the Buyer in reliance on such telephonic or oral communications prior to receipt of such confirmation);

(x) Pledgor shall provide financial statements and information as and when required by the Metal Prepay Facility Documents, subject to the cure period for such obligation set forth in the Metal Prepay Agreement or other Metal Prepay Facility Documents;

(xi) Pledgor will maintain, with financially sound and reputable companies, insurance in such amounts and against such risks and such other hazards as is customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations, all as reasonably acceptable to the Buyer;

(xii) Pledgor will promptly pay when due all property and other taxes, assessments and government charges or levies imposed upon, and all claims (including claims for labor, materials and supplies) against, the Collateral of Pledgor, except to the extent and in the manner permitted by the Metal Prepay Agreement;

(xiii) Pledgor shall not sell, transfer, pledge or encumber or permit the sale, transfer, pledge or encumbrance of any interest in Pledgor, directly or indirectly, that would or might cause a change in control of Pledgor, except pledges in favor of the Buyer; and

(xiv) Pledgor will not, without the prior written consent of the Buyer enter into, make or consent to any agreement, amendment or other modification or waiver or permit to exist any restriction with respect to (A) the Mining

Interests or pledged equity interests or pledged agreements listed on Schedule C attached hereto or (B) any other pledged agreements which, in the case of such agreements referenced in this clause (B), such agreement, amendment, modification, waiver or restriction would be materially adverse to the Buyer.

(b) Until payment in full to the Buyer of all Obligations, Pledgor hereby agrees not to exercise any claim or other right which Pledgor may now have or hereafter acquire against any other Credit Party or any other Person arising out of the existence or performance of Pledgor's obligations under this Agreement or otherwise with respect to any of the Obligations, including, without limitation, any and all rights by subrogation, reimbursement, exoneration, contribution, indemnification and any right to participate in any claim or remedy of the Buyer against any other Credit Party, any collateral (including the Collateral), or any other Person by reason of any payment made to or for the benefit of the Buyer hereunder or otherwise with respect to any of the Obligations, and the right to take or receive from any other Credit Party directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of any such claim or rights. In any bankruptcy proceeding relating to any other Credit Party, the Buyer shall be entitled to file a proof of claim on Pledgor's behalf and accept, receipt for and apply amounts so received to the Obligations. Pledgor hereby unconditionally and irrevocably agrees that, until final payment in full of all of the Obligations to the Buyer, all present and future indebtedness of any other Credit Party to Pledgor shall be and hereby is subordinated in right and time of payment and security to the payment in full of all of the Obligations to the Buyer and that until such time Pledgor will not exercise any rights, claims or remedies which Pledgor may acquire by way of subrogation, contribution or the like, whether arising under this Agreement or otherwise with respect to any of the Obligations. If any amount shall be paid to Pledgor in violation of these provisions, such amount shall be deemed to have been paid to Pledgor for, and shall be held in trust for, the benefit of the Buyer, and shall forthwith be paid over to the Buyer (with any necessary endorsements) to be credited and applied upon the Obligations, whether matured or unmatured in accordance with their terms. This Agreement shall not be affected or impaired by (i) the present or future financial condition, dissolution, bankruptcy, insolvency, reorganization, liquidation or the like of any other Credit Party, Pledgor or any other Person; (ii) any receipt of any other collateral security, failure to perfect a security interest therein, or release thereof; (iii) any limitation on any other Credit Party's liability with respect to any of the Obligations now or hereafter imposed by any statute, regulation or other Applicable Law; (iv) any merger or consolidation of Pledgor with or into any other Person, or the sale, lease or other disposition of any or all assets of any other Credit Party or Pledgor to any other Person; (v) any notice from Pledgor not to renew, extend or otherwise modify any Obligation; (vi) any validity, illegality, irregularity, unenforceability, avoidance or contractual or other subordination of all or any part of the Obligations; or (vii) any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor or any defense which any other Credit Party could assert on the Obligations (except for the payment in full of the Obligations).

(c) Pledgor agrees that it will not (i) file or permit to be filed any termination statement with respect to the Buyer's security interest in the Collateral without the Buyer's prior written consent, (ii) file or permit to be filed any financing or like statement with respect to the Collateral in which the Buyer is not named as the sole secured party, or (iii) consent or sell, assign, or otherwise dispose of, grant any option with respect to, or pledge, or otherwise encumber any item of the Collateral other than as permitted under the Metal Prepay Facility Documents. At the request of the Buyer, Pledgor agrees to do all other things which the Buyer may reasonably deem necessary or advisable in order to perfect and preserve the security interest granted herein and to give effect to the rights granted to the Buyer under this Agreement or enable the Buyer to comply with any Applicable Laws in connection therewith. Notwithstanding the foregoing, the Buyer does not assume any duty with respect to the Collateral and is not required to take any action to collect, preserve or protect its or Pledgor's rights in any item of the Collateral. Pledgor irrevocably, unconditionally and expressly releases the Buyer and agrees to hold the Buyer harmless from any claims, causes of action and demands at any time arising with respect to this Agreement, the use or disposition of any item of the Collateral or any action taken or omitted to be taken by the Buyer with respect thereto, except for any use, disposition or actions due to the Buyer's gross negligence or willful misconduct.

(d) Pledgor will furnish to the Buyer from time to time such reports and other information in connection with the Collateral as the Buyer may reasonably request, all in reasonable detail.

4. <u>**Additional Waivers**</u>.

Pledgor hereby irrevocably, unconditionally and expressly waives, to the fullest extent permitted by Applicable Law, all defenses, counterclaims, rights of setoff, any requirement that the Buyer first proceed against any guarantor or any other security, all requirements for notice of any kind, demand, protest, presentment, notice of non-payment, default or dishonor of any Obligation, notice of acceptance hereof, marshalling of assets and the like, including without limitation, any right to notice or judicial hearing in connection with the Buyer's taking possession of or disposition of any Collateral, any notice of any sale, transfer or other disposition by the Buyer of any Obligation, any requirement that the Buyer first proceed against Pledgor, any other collateral or any other person liable for any of the Obligations, and all damages occasioned by any of the foregoing (except as finally determined by a competent court to have been the direct result of the Buyer's gross negligence or willful misconduct). No invalidity, irregularity or unenforceability of any Obligations shall affect, impair or be a defense to any of Pledgor's obligations or agreements or any of the Buyer's rights or remedies hereunder. The Buyer may from time to time during the continuance of an Event of Default, and without affecting or impairing Pledgor's obligations or agreements or the Buyer's rights and remedies hereunder: (a) sell, release, exchange, settle, compromise or otherwise dispose of or deal with any property or other security for any of the

Obligations, and (b) exercise (in such order as the Buyer may choose), or refrain from exercising, any rights against any person liable for any of the Obligations. To the fullest extent permitted by Applicable Law, Pledgor also irrevocably, unconditionally and expressly waives any and all rights or defenses arising by reason of (x) any "one action" or "anti-deficiency" law that would otherwise prevent the Buyer from bringing any action, including any claim for a deficiency, or exercising any right or remedy (including any right of set-off) against Pledgor before or after the commencement or completion of any foreclosure action or sale of any collateral for the Obligations, whether judicially, by exercise of power of sale or otherwise, or (y) any other law that in any other way would otherwise require any election of remedies by the Buyer.

5. **Rights and Remedies upon Default**.

Upon the occurrence and during the continuance of any Event of Default (as defined in the Metal Prepay Agreement), then and in any such event: (a) the Buyer may declare all of the Obligations to be immediately due and payable as provided in the Metal Prepay Agreement, or with respect to Events of Default so specified in the Metal Prepay Agreement, the Obligations shall automatically become due and payable without declaration by the Buyer; (b) the Buyer's obligation, if any, to give or continue credit facilities to any Credit Party shall automatically terminate; (c) the Buyer shall have the right from time to time to take possession of, and sell, redeem, assign, liquidate, transfer and deliver all or any part of the Collateral, at any brokers' board or exchange, or at public or private sale or otherwise, at the option of the Buyer, for cash or on credit for future delivery, in such parcel or parcels and at such times and places, and upon such terms and conditions as the Buyer may deem proper, and in connection therewith may grant options and impose reasonable conditions, all without (except as same are required by Applicable Law and cannot be waived) advertisement or demand upon or notice to Pledgor or any other person entitled to notice or right of stay, extension, moratorium, appraisal or redemption of Pledgor, all of which are hereby expressly waived to the fullest extent permitted by Applicable Law; (d) upon each such sale, the Buyer, to the extent permitted by Applicable Law, may purchase all or any of the Collateral, free and clear of all claims, rights of redemption and equities of Pledgor; and (e) the Buyer shall have all of the rights and remedies of a secured party under the UCC and any other Applicable Law.

6. **Additional Buyer Rights and Remedies**.

Notwithstanding anything herein to the contrary, the Buyer will give Pledgor notice of the time and place of any public sale or of the time after which any private sale or other disposition of Collateral is to be made, by sending notice at least 10 days before the time of sale or disposition, which Pledgor agrees is reasonable. The Buyer need not give such notice if not required by the UCC or other Applicable Law. Pledgor agrees that at any private sale, the Collateral may be sold at a price that is less than the price which might have been obtained at a public sale or that is less than the aggregate outstanding amount of the Obligations. The Buyer may accept the first offer received and need not offer such Collateral to more than one offeree. The Buyer may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and such compliance will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral. The Buyer may convert any proceeds in foreign currency to U.S. dollars at the average of the buying spot rates of exchange for freely transferable U.S. dollars in effect at the lending office selected by the Buyer as at the close of business on the date of payment of the sales price for such Collateral. After deducting its costs and expenses from the proceeds of sale, the Buyer may apply any residue to pay the Obligations in such order as it elects and Pledgor will remain liable for any deficiency with interest. All foreign exchange losses incurred in connection with the conversion of any Collateral denominated in a foreign currency to U.S. dollars shall be borne by any other Credit Party and Pledgor. If the Buyer shall be subject to any volume limitations in the sale of Collateral, Pledgor shall not at any such time sell, or permit any party controlled by Pledgor to sell, any securities if the sale thereof would adversely affect the Buyer's ability to sell the Collateral. If the Buyer sells any of the Collateral upon credit, Pledgor will be credited only with payments actually made by the purchaser, received by the Buyer and applied to the indebtedness of the purchaser. In the event the purchaser fails to pay for the Collateral, the Buyer may resell the Collateral and Pledgor shall be credited with the proceeds of the sale.

7. **Power of Attorney; Voting Rights**.

(a) Pledgor hereby irrevocably designates and appoints each of the Buyer and any designee or agent thereof (each an "Attorney") as attorney-in-fact of Pledgor, such appointment to be exercised only during the continuance of an Event of Default, with full power of substitution, each with authority acting alone to re-direct, receive and dispose of Pledgor's mail, sign or endorse Pledgor's name on notes, acceptances, checks, drafts, instruments, certificates, powers, assignments and other documents, execute proofs of claim and loss, releases, endorsements, assignments and other instruments of conveyance, and do all other acts and things necessary and advisable in the commercially reasonable discretion of Attorney to carry out and enforce this Agreement. All acts of each Attorney are hereby ratified and approved and no Attorney shall be liable for any acts of commission or omission or for errors of judgment or mistake of fact or law except to the extent the same constitute gross negligence or willful misconduct. This power of attorney is irrevocable and coupled with an interest.

(b) Upon the occurrence and during the continuation of an Event of Default, (i) the Buyer may, at its option, upon prior notice to Pledgor, and in addition to all rights and remedies available to the Buyer under any other agreement, at law, in equity, or otherwise, exercise all voting rights, and all other ownership or consensual rights in respect of the Equity Interests pledged hereunder owned by Pledgor, but under no circumstances is the Buyer obligated by the terms of this Agreement to exercise such rights; and (ii) if the Buyer duly exercises its right to vote any of such Equity Interests, Pledgor hereby appoints the Buyer as Pledgor's true and lawful attorney-in-fact and irrevocable proxy to vote such equity interests in any manner the Buyer deems advisable for or against all matters submitted or which may be submitted to a vote of shareholders, partners or members, as the case may be. The power-of-attorney granted hereby is coupled with an interest and will be irrevocable until payment in full of the Obligations. For so long as Pledgor will have the right to vote the Equity Interests owned by it, Pledgor covenants and agrees that, in its capacity as the actual or beneficial owner of such Equity Interests, it will not, without the prior written consent of the Buyer, vote or take any consensual action with respect to such Equity Interests which could reasonably be expected to materially adversely affect the rights of the Buyer or the value of such Equity Interests.

8. Severability.

In the event and to the extent that any provision of this Agreement shall be invalid, illegal or unenforceable in any jurisdiction or context, the validity, legality and enforceability of the remaining provisions, or of such provision in any other jurisdiction or context, shall not in any way be affected or impaired thereby.

9. No Waiver of Buyer Rights.

No failure or delay by the Buyer in exercising any right or remedy and no course of dealing between the Buyer and Pledgor shall operate as a waiver thereof, nor shall any single or partial exercise of any right preclude any other or future exercise thereof. All rights and remedies of the Buyer shall be cumulative and may be exercised singly or concurrently. No notice to or demand on Pledgor shall entitle Pledgor to any other or further notice or demand, or constitute a waiver of the Buyer's rights.

10. Amendments.

This Agreement may not be modified, changed, waived or discharged orally, except by a writing signed by the parties hereto. Any waiver of any provision of this Agreement or any consent to any departure by Pledgor therefrom shall be effective only in the specific instance and for the specific purpose for which given. This Agreement shall be and remain the independent obligation of Pledgor, shall inure to the benefit of and be enforceable by the Buyer and its successors and permitted transferees and assigns, and shall be binding upon Pledgor and Pledgor's successors and assigns; provided that Pledgor may not transfer, assign or delegate any of Pledgor's rights or obligations hereunder, and, at the Buyer's option, any such purported transfer, assignment or delegation shall be void. This Agreement shall terminate upon final payment in full to the Buyer of all of the Obligations and termination of any obligation of the Buyer to make advances under the Metal Prepay Agreement, and shall continue to be effective or shall be reinstated, as the case may be, if at any time payment of or on account of any of the Obligations is rescinded or must otherwise be restored or returned by the Buyer upon the insolvency, bankruptcy or reorganization of Pledgor or any other Person or otherwise, all as though such payment had not been made, and the Buyer need not release any Collateral until the Buyer has determined to its satisfaction that such rescission or restoration is not probable.

11. Right of Setoff.

The Buyer is hereby authorized at any time and from time to time during the continuance of an Event of Default, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by the Buyer (or any affiliate of the Buyer) to or for the credit or the account of Pledgor against any and all of the Obligations, whether or not the Buyer shall have made any demand under this Agreement and although such Obligations may be unmatured. The Buyer agrees promptly to notify Pledgor after any such setoff and application; provided, however, that the failure to give such notice shall not affect the validity of such setoff and application. The rights of the Buyer under this Section 11 are in addition to any other rights and remedies (including, without limitation, other rights of setoff) that the Buyer may have.

12. Indemnity.

The terms of Section 11.4 of the Metal Prepay Agreement with respect to costs, expenses and indemnities are incorporated herein by reference, *mutatis mutandis*, and each party hereto agrees to such terms.

13. Notices.

Any notice to the Buyer or Pledgor shall be effective if sent in compliance with Section 11.3 of the Metal Prepay Agreement.

14. Governing Law; Waiver of Jury Trial; Etc.

The terms of Section 11.10 of the Metal Prepay Agreement with respect to governing law, submission to jurisdiction, venue and waiver of jury trial are incorporated herein by reference, *mutatis mutandis*, and each party hereto agrees to such terms.

15. Joint and Several Liability; Counterparts.

If this Agreement is signed by two or more parties as Pledgor, their obligations under this Agreement shall be joint and several. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic means shall be as effective as delivery of an original executed counterpart.

16. Conflict.

In the case of any conflict between the provisions of this Agreement and the Metal Prepay Agreement, the Metal Prepay Agreement shall govern.

[remainder of page intentionally blank]

IN WITNESS WHEREOF, each party hereto has executed and delivered this Agreement as of the date first written above.

DEBTOR:

FORTUNE REVENUE SILVER MINES, INC.

By: ______________________
Name: Robin E. Goad
Title: President.

LENDER:

LRC-FRSM LLC

By: Lascaux Resource Capital Partners, LLC
its Manager

By: ______________________
Name: Elliot Rothstein
Title: Authorized Signatory

By: ______________________
Name: David Kaplan
Title: Authorized Signatory

IN WITNESS WHEREOF, each party hereto has executed and delivered this Agreement as of the date first written above.

DEBTOR:

FORTUNE REVENUE SILVER MINES, INC.

By: ______________________________
Name:
Title:

LENDER:

LRC-FRSM LLC

By: Lascaux Resource Capital Partners, LLC
its Manager

By: ______________________________
Name: Elliot Rothstein
Title: Authorized Signatory

By: ______________________________
Name: David Kaplan
Title: Authorized Signatory

[Signature Page to Security Agreement (Fortune Revenue Silver Mines, Inc.)]

SCHEDULE [redacted]

[redacted]

[redacted]

Schedules Deleted

EXHIBIT E – FORTUNE SECURITY AGREEMENT

SECURITY AGREEMENT

This SECURITY AGREEMENT dated as of October 1, 2014 (this "Agreement") is entered into between FORTUNE MINERALS LIMITED ("Pledgor") in favor of LRC-FRSM LLC or any of its designated Affiliates (including any special purpose vehicle formed to fund any portion of the Metal Prepay Facility) (collectively, the "Buyer").

Concurrently herewith, Pledgor and Fortune Revenue Silver Mines, Inc. ("Seller") are entering into that certain Senior Secured Metal Prepay Agreement dated as of October 1, 2014 (as amended or otherwise modified from time to time, the "Metal Prepay Agreement") with the Buyer. Capitalized terms used herein but not otherwise defined (x) shall have the meaning given to such terms in the Metal Prepay Agreement and (y) which are defined in the UCC have the respective meanings given them in the UCC and if defined in more than one article of the UCC, such terms will have the meaning defined in Article 9 of the UCC.

1. **Grant of Security**.

As collateral security for the punctual payment and performance of all the Obligations (including the Guaranteed Obligations), Pledgor hereby assigns, pledges and grants to the Buyer a continuing first priority security interest in and lien upon all right, title and interest of Pledgor in and to: (a) the Equity Interests of Seller identified in Exhibit A (as supplemented from time to time by any supplement effecting a pledge thereof), and any and all certificates evidencing the same (the "Pledged Shares"); (b) all Equity Interests, securities, moneys or property representing a dividend on any of the Pledged Shares, or representing a distribution or return of capital upon or in respect of the Pledged Shares, or resulting from a split-up, revision, reclassification or other like change of the Pledged Shares or otherwise received in exchange therefor, and any subscription warrants, rights or options issued to the holders of, or otherwise in respect of, the Pledged Collateral (as defined below); (c) without affecting the obligations of Pledgor under any provision prohibiting such action hereunder, in the event of any consolidation or merger in which Seller is not the surviving entity, all membership units of each class of Equity Interests of the successor entity formed by or resulting from such consolidation or merger, together with all other certificates, securities, properties or moneys as may from time to time be pledged hereunder pursuant to this Section 1; (d) the Intercompany Loans held by Pledgor and owing by Seller to Pledgor and all accounts, general intangibles, payment intangibles and instruments related to the Intercompany Loan; and (e) all proceeds of and from any of the foregoing and all accessions to, substitutions and replacements for, and rents, profits and products of each of the foregoing (together with the Pledged Shares and other property described in this Section 1, collectively the "Pledged Collateral").

2. **Representations and Warranties**. Pledgor represents and warrants to the Buyer that:

(a) the name of Pledgor set forth on the signature page to this Agreement ("Pledgor Information") is as it appears in the Organizational Documents filed by Pledgor with the applicable Governmental Entity in its province of incorporation or organization;

(b) Pledgor owns good title to each item of Pledged Collateral in which it has any rights (except to the extent disposed of in accordance with the terms of the Metal Prepay Facility Documents);

(c) Pledgor has the power to grant the security interest and the Lien upon the Pledged Collateral upon which it purports to grant a security interest in and Lien hereunder and such Pledged Collateral is free and clear of any and all Liens other than Liens permitted by the Metal Prepay Facility Documents;

(d) no effective security agreement, UCC financing statement, equivalent security or Lien instrument or continuation statement covering all or any part of the collateral is on file or of record in any public office, except such as may have been filed in favor of the Buyer pursuant to this Agreement or any other Metal Prepay Facility Document;

(e) The Pledged Shares constitute 100% of the issued and outstanding Equity Interests of Seller. The Pledged Shares constitute 100% of the issued and outstanding Equity Interests of Seller beneficially owned by Pledgor, whether or not registered in the name of Pledgor (or, in the case of any supplement to Exhibit A effecting a pledge thereof, as of the date of such supplement).

(f) The Pledged Shares, and any other Equity Interests in which Pledgor shall hereafter grant a security interest pursuant to this Agreement will be, to the extent applicable, duly authorized, validly issued, fully paid and non-assessable, and no Pledged Shares are or will be subject to any contractual restriction, or any restriction under the organizational documents of Pledgor, upon the transfer of such Pledged Shares (except for any such restriction contained herein or under such organizational instruments or as otherwise expressly permitted by the Metal Prepay Agreement).

(g) Pledgor's obligations hereunder are not subject to any offset or defense against the Buyer or Seller of any kind.

(h) All action by Pledgor requested by the Buyer that is necessary to protect and perfect the security interest of the Buyer with respect to the Intercompany Loans (including the delivery of all originals thereof to the Buyer), to the extent requested by the Buyer has been duly taken. There is no default, breach, violation, or event of acceleration existing under the Intercompany Loans and no event has occurred or circumstance exists which, with the passage of time or the giving of notice, or both, would constitute a default, breach, violation, or event of acceleration under the Intercompany Loans. Pledgor has not waived any default, breach, violation, or event of acceleration under the Intercompany Loans.

3. **Covenants; Certain Waivers**.

(a) Pledgor covenants and agrees with the Buyer that until the Obligations have been paid in full:

(i) the Buyer's sole duty with respect to the Pledged Collateral is to use such care as it uses for similar property for its own account, and the Buyer shall not be obligated to preserve rights in the Collateral against prior parties;

(ii) Pledgor will be responsible for all matters relating to the Pledged Collateral, including any responsibility to make any payments and do any act necessary or convenient to protect the Pledged Shares and the value of the Buyer's interest therein. If Pledgor fails to pay any amount or furnish any required proof of payment to third persons as required hereunder, the Buyer may make all or part of the payment as the Buyer deems prudent. Any amounts paid by the Buyer are Obligations and immediately due and payable, bearing interest at the then applicable default rate and secured by the Pledged Shares. No payments by the Buyer are an agreement to make similar payments in the future or the Buyer's waiver of any Event of Default;

(iii) Pledgor will (A) comply with Section 8.2(c) of the Metal Prepay Agreement, (B) from time to time take all actions (including delivering physical possession of such Pledged Collateral to the Buyer and entering into any control agreement requested by the Buyer and otherwise cooperate with the Buyer in maintaining control with respect to the Pledged Collateral in which a security interest may be perfected by control pursuant to the UCC or other Applicable Law) and make all filings, registrations and recordations requested by the Buyer in connection with the Buyer's security interest in the Pledged Collateral, and (C) hold in trust for, and forthwith pay over to, the Buyer in the form received (except for any necessary endorsements) all property, proceeds or distributions received by Pledgor on account of any Pledged Collateral;

(iv) Pledgor will cause the Pledged Collateral to constitute at all times 100% of the Equity Interests of Seller then outstanding and owned by Pledgor;

(v) at any time during the continuance of an Event of Default, (A) the Buyer may transfer all or any part of the Pledged Collateral to the Buyer's name or that of its nominee, and exercise all rights as if the absolute owner thereof, and file a proof of claim for, receive payments or distributions on, and exchange or release the Pledged Collateral in any bankruptcy, insolvency or similar proceeding involving Pledgor and (B) the Buyer may commence such legal actions as may be required or convenient to transfer all or any part of the Pledged Collateral to the Buyer's name or that of its nominee, and exercise all rights as if the absolute owner thereof, and file a proof of claim for, receive payments or distributions on, and exchange or release Pledged Collateral in any bankruptcy, insolvency or similar proceeding involving Pledgor;

(vi) the Buyer is authorized to file financing statements and/or a copy of this Agreement and give notice to third parties regarding the Pledged Collateral without Pledgor's signature to the extent permitted by Applicable Law;

(vii) Pledgor will not change the Pledgor Information or its corporate headquarters location without giving prompt written notice of such change to the Buyer;

(viii) the Buyer may rely upon any written (including fax), telephonic or oral communication in good faith believed by the Buyer to have been authorized by Pledgor; provided, however, that if any such communication is oral or telephonic, it shall be promptly confirmed in writing (including by fax) (but the lack of such confirmation or any conflict between such confirmation and the relevant telephonic or oral communications shall not affect any action taken by the Buyer in reliance on such telephonic or oral communications prior to receipt of such confirmation);

(ix) Pledgor (A) without the prior written consent of the Buyer, will not (1) waive or release any obligation of any Person that is obligated under the Intercompany Loan, (2) take or omit to take any action or knowingly suffer or permit any action to be omitted or taken, the taking or omission of which would result in any right of offset against sums payable under the Intercompany Loan, or (3) assign or surrender its rights and interests under the Intercompany Loan or terminate, cancel, modify, change, supplement or amend the Intercompany Loan in a manner that is adverse in an material respect to the interests of the Buyer hereunder, and (B) will provide the Buyer copies of all material written notices (including notices of default) given or received with respect to the Intercompany Loan promptly after giving or receiving such notice; and

(x) If the Intercompany Loans are evidenced by a promissory note or other instrument, Pledgor will deliver to the Buyer the originals of all negotiable documents and instruments representing the Intercompany Loans, in each case, accompanied by allonges or other instruments of transfer executed in blank as are reasonably requested by the Buyer, promptly after Pledgor receives the same.

(b) Until payment in full to the Buyer of all Obligations, Pledgor hereby agrees not to exercise any claim or other right which Pledgor may now have or hereafter acquire against any other Person arising out of the existence or performance of Pledgor's obligations under this Agreement or otherwise with respect to any of the Obligations, including, without limitation, any and all rights by subrogation, reimbursement, exoneration, contribution, indemnification and any right to participate in any claim or remedy of the Buyer against any collateral (including the Pledged Collateral) or any other Person by reason of any payment made to or for the benefit of the Buyer hereunder or otherwise with respect to any of the Obligations, and the right to take or receive from Pledgor directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of any such claim or rights. In any bankruptcy proceeding relating to Pledgor, the Buyer shall be entitled to file a proof of claim on Pledgor's behalf and accept, receipt for and apply amounts so received to the Obligations. Pledgor hereby unconditionally and irrevocably agrees that, until final payment in full of all of the Obligations to the Buyer, all present and future indebtedness of any other Credit Party to Pledgor shall be and hereby is subordinated in right and time of payment and security to the payment in full of all of the Obligations to the Buyer and that until such time Pledgor will not exercise any rights, claims or remedies which Pledgor may acquire by way of subrogation, contribution or the like, whether arising under this Agreement or otherwise with respect to any of the Obligations. If any amount shall be paid to Pledgor in violation of these provisions, such amount shall be deemed to have been paid to Pledgor for, and shall be held in trust for, the benefit of the Buyer, and shall forthwith be paid over to the Buyer (with any necessary endorsements) to be credited and applied upon the Obligations, whether matured or unmatured in accordance with their terms. This Agreement shall not be affected or impaired by (i) the present or future financial condition, dissolution, bankruptcy, insolvency, reorganization, liquidation or the like of Pledgor or any other Person; (ii) any receipt of any other collateral security, failure to perfect a security interest therein, or release thereof; (iii) any limitation on Pledgor's liability with respect to any of the Obligations now or hereafter imposed by any statute, regulation or other Applicable Law; (iv) any merger or consolidation of Pledgor with or into any other Person, or the sale, lease or other disposition of any or all assets of Pledgor to any other Person; (v) any notice from Pledgor not to renew, extend or otherwise modify any Obligation; (vi) any validity, illegality, irregularity, unenforceability, avoidance or contractual or other subordination of all or any part of the Obligations; or (vii) any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor or any defense which Pledgor could assert on the Obligations (except for the payment in full of the Obligations).

(c) Pledgor agrees that it will not (i) file or permit to be filed any termination statement with respect to the Buyer's security interest in the Pledged Collateral without the Buyer's prior written consent, (ii) file or permit to be filed any financing or like statement with respect to the Pledged Collateral in which the Buyer is not named as the sole secured party, or (iii) consent or sell, assign, or otherwise dispose of, grant any option with respect to, or pledge, or otherwise encumber any item of the Pledged Collateral other than as permitted under the Metal Prepay Facility Documents. At the request of the Buyer, Pledgor agrees to do all other things which the Buyer may reasonably deem necessary or advisable in order to perfect and preserve the security interest granted herein and to give effect to the rights granted to the Buyer under this Agreement or enable the Buyer to comply with any Applicable Laws in connection therewith. Notwithstanding the foregoing, the Buyer does not assume any duty with respect to the Pledged Collateral and is not required to take any action to collect, preserve or protect its or Pledgor's rights in any item of the Pledged Collateral. Pledgor irrevocably, unconditionally and expressly releases the Buyer and agrees to hold the Buyer harmless from any claims, causes of action and demands at any time arising with respect to this Agreement, the use or disposition of any item of the Pledged Collateral or any action taken or omitted to be taken by the Buyer with respect thereto, except for any use, disposition or actions due to the Buyer's gross negligence or willful misconduct.

(d) Pledgor will furnish to the Buyer from time to time such reports and other information in connection with the Pledged Collateral as the Buyer may reasonably request, all in reasonable detail.

4. **Additional Waivers**.

Pledgor hereby irrevocably, unconditionally and expressly waives, to the fullest extent permitted by Applicable Law, all defenses, counterclaims, rights of setoff, any requirement that the Buyer first proceed against any guarantor or any other security, all requirements for notice of any kind, demand, protest, presentment, notice of non-payment, default or dishonor of any Obligation, notice of acceptance hereof, marshalling of assets and the like, including without limitation, any right to notice or judicial hearing in connection with the Buyer's taking possession of or disposition of any Collateral (including the Pledged Collateral), any notice of any sale, transfer or other disposition by the Buyer of any Obligation, any requirement that the Buyer first proceed against Pledgor, any other collateral or any other person liable for any of the Obligations, and all damages occasioned by any of the foregoing (except as finally determined by a competent court to have been the direct result of the Buyer's gross negligence or willful misconduct). No invalidity, irregularity or unenforceability of any Obligations shall affect, impair or be a defense to any of Pledgor's obligations or agreements or any of the Buyer's rights or remedies hereunder. The Buyer may from time to time during the continuance of an Event of Default, and without affecting or impairing Pledgor's obligations or agreements or the Buyer's rights and remedies hereunder: (a) sell, release, exchange, settle, compromise or otherwise dispose of or deal with any property or other security for any of the Obligations, and (b) exercise (in such order as the Buyer may choose), or refrain from exercising, any rights against any person liable for any of the Obligations. To the fullest extent permitted by Applicable Law, Pledgor also irrevocably, unconditionally and expressly waives any and all rights or defenses arising by reason of (x) any "one action" or "anti-deficiency" law that would otherwise prevent the Buyer from bringing any action, including any claim for a deficiency, or exercising any right or remedy (including any right of set-off) against Pledgor before or after the commencement or completion of any foreclosure action or sale of any collateral for the Obligations, whether judicially, by exercise of power of sale or otherwise, or (y) any other law that in any other way would otherwise require any election of remedies by the Buyer.

5. Rights and Remedies upon Default.

Upon the occurrence and during the continuance of any Event of Default (as defined in the Metal Prepay Agreement), then and in any such event: (a) the Buyer may declare all of the Obligations to be immediately due and payable as provided in the Metal Prepay Agreement, or with respect to Events of Default so specified in the Metal Prepay Agreement, the Obligations shall automatically become due and payable without declaration by the Buyer; (b) the Buyer's obligation, if any, to give or continue credit facilities to Pledgor shall automatically terminate; (c) the Buyer shall have the right from time to time to take possession of, and sell, redeem, assign, liquidate, transfer and deliver all or any part of the Collateral (including the Pledged Collateral), at any brokers' board or exchange, or at public or private sale or otherwise, at the option of the Buyer, for cash or on credit for future delivery, in such parcel or parcels and at such times and places, and upon such terms and conditions as the Buyer may deem proper, and in connection therewith may grant options and impose reasonable conditions, all without (except as same are required by Applicable Law and cannot be waived) advertisement or demand upon or notice to Pledgor or any other person entitled to notice or right of stay, extension, moratorium, appraisal or redemption of Pledgor, all of which are hereby expressly waived to the fullest extent permitted by Applicable Law; (d) upon each such sale, the Buyer, to the extent permitted by Applicable Law, may purchase all or any of the Collateral (including the Pledged Collateral), free and clear of all claims, rights of redemption and equities of Pledgor; and (e) the Buyer shall have all of the rights and remedies of a secured party under the UCC and any other Applicable Law.

6. Additional Buyer Rights and Remedies.

Notwithstanding anything herein to the contrary, the Buyer will give Pledgor notice of the time and place of any public sale or of the time after which any private sale or other disposition of Collateral (including the Pledged Collateral) is to be made, by sending notice at least 10 days before the time of sale or disposition, which Pledgor agrees is reasonable. The Buyer need not give such notice if not required by the UCC or other Applicable Law. Pledgor agrees that at any private sale the Collateral (including the Pledged Collateral) may be sold at a price that is less than the price which might have been obtained at a public sale or that is less than the aggregate outstanding amount of the Obligations. The Buyer may accept the first offer received and need not offer such Collateral to more than one offeree. The Buyer may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral (including the Pledged Collateral) and such compliance will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral (including the Pledged Collateral). The Buyer may convert any proceeds in foreign currency to U.S. dollars at the average of the buying spot rates of exchange for freely transferable U.S. dollars in effect at the lending office selected by the Buyer as at the close of business on the date of payment of the sales price for such Collateral. After deducting its costs and expenses from the proceeds of sale, the Buyer may apply any residue to pay the Obligations in such order as it elects and Pledgor will remain liable for any deficiency with interest. All foreign exchange losses incurred in connection with the conversion of any Collateral denominated in a foreign currency to U.S. dollars shall be borne by Seller and Pledgor. If the Buyer shall be subject to any volume limitations in the sale of Collateral (including the Pledged Collateral), Pledgor shall not at any such time sell, or permit any party controlled by Pledgor to sell, any securities if the sale thereof would adversely affect the Buyer's ability to sell the Collateral (including the Pledged

Collateral). If the Buyer sells any of the Collateral (including the Pledged Collateral) upon credit, Pledgor will be credited only with payments actually made by the purchaser, received by the Buyer and applied to the indebtedness of the purchaser. In the event the purchaser fails to pay for the Collateral (including the Pledged Collateral), the Buyer may resell the Collateral (including the Pledged Collateral) and Pledgor shall be credited with the proceeds of the sale.

7. **Power of Attorney; Voting Rights.**

(a) Pledgor hereby irrevocably designates and appoints each of the Buyer and any designee or agent thereof (each an "Attorney") as attorney-in-fact of Pledgor, such appointment to be exercised only during the continuance of an Event of Default, with full power of substitution, each with authority acting alone to re-direct, receive and dispose of Pledgor's mail, sign or endorse Pledgor's name on notes, acceptances, checks, drafts, instruments, certificates, powers, assignments and other documents, execute proofs of claim and loss, releases, endorsements, assignments and other instruments of conveyance, and do all other acts and things necessary and advisable in the commercially reasonable discretion of Attorney to carry out and enforce this Agreement. All acts of each Attorney are hereby ratified and approved and no Attorney shall be liable for any acts of commission or omission or for errors of judgment or mistake of fact or law except to the extent the same constitute gross negligence or willful misconduct. This power of attorney is irrevocable and coupled with an interest.

(b) Upon the occurrence and during the continuation of an Event of Default, (i) the Buyer may, at its option, upon prior notice to Pledgor, and in addition to all rights and remedies available to the Buyer under any other agreement, at law, in equity, or otherwise, exercise all voting rights, and all other ownership or consensual rights in respect of the Equity Interests pledged hereunder owned by Pledgor, but under no circumstances is the Buyer obligated by the terms of this Agreement to exercise such rights; and (ii) if the Buyer duly exercises its right to vote any of such Equity Interests, Pledgor hereby appoints the Buyer as Pledgor's true and lawful attorney-in-fact and irrevocable proxy to vote such equity interests in any manner the Buyer deems advisable for or against all matters submitted or which may be submitted to a vote of shareholders, partners or members, as the case may be. The power-of-attorney granted hereby is coupled with an interest and will be irrevocable until payment in full of the Obligations. For so long as Pledgor will have the right to vote the Equity Interests owned by it, Pledgor covenants and agrees that, in its capacity as the actual or beneficial owner of such Equity Interests, it will not, without the prior written consent of the Buyer, vote or take any consensual action with respect to such Equity Interests which could reasonably be expected to materially adversely affect the rights of the Buyer or the value of such Equity Interests.

8. Severability.

In the event and to the extent that any provision of this Agreement shall be invalid, illegal or unenforceable in any jurisdiction or context, the validity, legality and enforceability of the remaining provisions, or of such provision in any other jurisdiction or context, shall not in any way be affected or impaired thereby.

9. No Waiver of Buyer Rights.

No failure or delay by the Buyer in exercising any right or remedy and no course of dealing between the Buyer and Pledgor shall operate as a waiver thereof, nor shall any single or partial exercise of any right preclude any other or future exercise thereof. All rights and remedies of the Buyer shall be cumulative and may be exercised singly or concurrently. No notice to or demand on Pledgor shall entitle Pledgor to any other or further notice or demand, or constitute a waiver of the Buyer's rights.

10. Amendments.

This Agreement may not be modified, changed, waived or discharged orally, except by a writing signed by the parties hereto. Any waiver of any provision of this Agreement or any consent to any departure by Pledgor therefrom shall be effective only in the specific instance and for the specific purpose for which given. This Agreement shall be and remain the independent obligation of Pledgor, shall inure to the benefit of and be enforceable by the Buyer and its successors and permitted transferees and assigns, and shall be binding upon Pledgor and Pledgor's successors and assigns; provided that Pledgor may not transfer, assign or delegate any of Pledgor's rights or obligations hereunder, and, at the Buyer's option, any such purported transfer, assignment or delegation shall be void. This Agreement shall terminate upon final payment in full to the Buyer of all of the Obligations and termination of any obligation of the Buyer to make advances under the Metal Prepay Agreement, and shall continue to be effective or shall be reinstated, as the case may be, if at any time payment of or on account of any of the Obligations is rescinded or must otherwise be restored or returned by the Buyer upon the insolvency, bankruptcy or reorganization of Pledgor or any other Person or otherwise, all as though such payment had not been made, and the Buyer need not release any Collateral (including the Pledged Collateral) until the Buyer has determined to its satisfaction that such rescission or restoration is not probable.

11. Right of Setoff.

The Buyer is hereby authorized at any time and from time to time during the continuance of an Event of Default, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by the Buyer (or any affiliate of the Buyer) to or for the credit or the account of Pledgor against any and all of the Obligations, whether or not the Buyer shall have made any demand under this Agreement and although such Obligations may be unmatured. The Buyer agrees promptly to notify Pledgor after any such setoff and application; provided, however, that the failure to give such notice shall not affect the validity of such setoff and application. The rights of the Buyer under this Section 11 are in addition to any other rights and remedies (including, without limitation, other rights of setoff) that the Buyer may have.

12. **Indemnity**.

The terms of Section 11.4 of the Metal Prepay Agreement with respect to costs, expenses and indemnities are incorporated herein by reference, *mutatis mutandis*, and each party hereto agrees to such terms.

13. **Notices**.

Any notice to the Buyer or Pledgor shall be effective if sent in compliance with Section 11.3 of the Metal Prepay Agreement.

14. **Governing Law; Waiver of Jury Trial; Etc**.

The terms of Section 11.10 of the Metal Prepay Agreement with respect to governing law, submission to jurisdiction, venue and waiver of jury trial are incorporated herein by reference, *mutatis mutandis*, and each party hereto agrees to such terms.

15. **Joint and Several Liability; Counterparts**.

If this Agreement is signed by two or more parties as Pledgor, their obligations under this Agreement shall be joint and several. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic means shall be as effective as delivery of an original executed counterpart.

16. **Conflict**.

In the case of any conflict between the provisions of this Agreement and the Metal Prepay Agreement, the Metal Prepay Agreement shall govern.

[remainder of page intentionally blank]

IN WITNESS WHEREOF, each party hereto has executed and delivered this Agreement as of the date first written above.

DEBTOR:

FORTUNE MINERALS LIMITED

By: ______________________________
Name: Robin E. Goad
Title: President

LENDER:

LRC-FRSM LLC

By: Lascaux Resource Capital Partners, LLC
its Manager

By: ______________________________
Name: Elliot Rothstein
Title: Authorized Signatory

By: ______________________________
Name: David Kaplan
Title: Authorized Signatory

IN WITNESS WHEREOF, each party hereto has executed and delivered this Agreement as of the date first written above.

DEBTOR:

FORTUNE MINERALS LIMITED

By: ______________________________
Name:
Title:

LENDER:

LRC-FRSM LLC

By: Lascaux Resource Capital Partners, LLC
its Manager

By: ______________________________
Name: Elliot Rothstein
Title: Authorized Signatory

By: ______________________________
Name: David Kaplan
Title: Authorized Signatory

SCHEDULE A

PLEDGED EQUITY

Name of Company Pledged	Number of Shares / Units	Certificate No.	Class of Shares / Units	Percentage Pledged
Fortune Revenue Silver Mines, Inc.	10,000	1	Common	100%
Fortune Revenue Silver Mines, Inc.	20,000	2	Common	100%
Fortune Revenue Silver Mines, Inc.	100,409	3	Common	100%

EXHIBIT F – MORTGAGE

Recording Requested By:
Name: Joel O. Benson, Esq.
Address: 1550 17th Street, Suite 500, Denver, Colorado 80202

When Recorded Mail to:
Name: Joel O. Benson, Esq., Davis Graham & Stubbs LLP
Address: 1550 17th Street, Suite 500, Denver, Colorado 80202

***Instructions to County Recorder*:**
Index this Document as:
(1) a deed of trust and mortgage
(2) a fixture filing
(3) an as-extracted collateral filing

DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF PRODUCTION, RENTS AND LEASEHOLD INTERESTS, FINANCING STATEMENT AND FIXTURE FILING

FROM

FORTUNE REVENUE SILVER MINES, INC., as Grantor

TO

THE PUBLIC TRUSTEE OF THE COUNTY IN WHICH THE PROPERTY IS SITUATED IN THE STATE OF COLORADO, as Trustee

WITH

LRC-FRSM LLC, as Beneficiary

DATED AS OF OCTOBER 1, 2014

THIS INSTRUMENT CONTAINS AFTER-ACQUIRED PROPERTY PROVISIONS.

THIS INSTRUMENT SECURES FUTURE ADVANCES.

THIS INSTRUMENT COVERS FIXTURES AND GOODS THAT WILL BECOME FIXTURES ON THE PROPERTY DESCRIBED IN EXHIBIT A.

THIS INSTRUMENT COVERS AS-EXTRACTED COLLATERAL.

DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF PRODUCTION, RENTS AND LEASEHOLD INTERESTS, FINANCING STATEMENT AND FIXTURE FILING

This Deed of Trust, Security Agreement, Assignment of Production, Rents and Leasehold Interests, Financing Statement and Fixture Filing (the "Deed of Trust") is entered into by and among **FORTUNE REVENUE SILVER MINES, INC.**, a corporation formed and existing under the laws of the State of Colorado, and whose address is c/o Fortune Minerals Limited, 148 Fullarton Street, Suite 1600, London, Ontario N6A 5P3 (herein called "Grantor"), **THE PUBLIC TRUSTEE OF THE COUNTY IN WHICH THE PROPERTY IS SITUATED IN THE STATE OF COLORADO** (herein called "Trustee"), and **LRC-FRSM LLC**, a Delaware limited liability company whose address is c/o Lascaux Resource Capital Partners, LLC, 777 Third Avenue, 25th Floor, New York, New York 10017 (herein called "Beneficiary").

Recitals

A. Pursuant to that certain Senior Secured Metal Prepay Agreement dated October 1, 2014 among Fortune Revenue Silver Mines, Inc., a Colorado corporation, as the seller, Fortune Minerals Limited, a corporation organized and existing under the laws of the Province of Ontario, as the guarantor, and LRC-FRSM LLC, a Delaware limited liability company, as the buyer (as amended, modified, supplemented or restated from time to time, the "Agreement"), and subject to the satisfaction of the conditions precedent stated therein, the Beneficiary has agreed to provide a metal prepay facility to the Grantor in the aggregate principal amount of Thirty-Five Million Dollars ($35,000,000) or such greater amount as described therein, all on the terms and conditions stated in the Agreement. This Deed of Trust secures the Grantor's performance of the Agreement, as further described herein, including future advances, and it is a condition precedent to the Beneficiary entering into the Agreement and making the prepayment to the Grantor thereunder, that the Grantor shall have executed and delivered this Deed of Trust to secure the Grantor's performance. The Senior Secured Metal Prepay Agreement shall serve as the evidence of debt for all purposes, including with respect to the future release or foreclosure of this Deed of Trust. Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Agreement.

B. The Grantor owns, leases or holds, or has an option to purchase, those certain properties consisting of patented mining claims, patented millsite claims, unpatented mining claims, unpatented millsite claims, mineral rights, water rights, leasehold and other rights and interests in Ouray County and San Miguel County, Colorado as further described herein, including on Exhibit A attached hereto and incorporated herein by reference, which are commonly referred to herein as the "Properties".

C. This Deed of Trust is intended to act and operate as either a deed of trust or as a mortgage (but not both), at the sole option and direction of the Beneficiary. Upon foreclosure, pursuant to the terms and conditions stated herein, the Beneficiary may elect to treat this instrument either as a deed of trust and pursue a non-judicial foreclosure pursuant to the power of sale granted herein, or as a mortgage and pursue a judicial foreclosure.

THIS DEED OF TRUST COVERS GOODS WHICH ARE OR ARE TO BECOME FIXTURES ON THE REAL ESTATE DESCRIBED IN THIS DEED OF TRUST AND ALSO COVERS AS-EXTRACTED COLLATERAL AND MINERALS OR THE LIKE TO BE FINANCED AT THE MINEHEAD OF THE MINE OR MINES LOCATED ON THE REAL ESTATE DESCRIBED IN THIS DEED OF TRUST. THIS DEED OF TRUST IS TO BE FILED FOR RECORD IN THE REAL ESTATE RECORDS AS, AMONG OTHER THINGS, A FINANCING STATEMENT AND A FIXTURE FILING.

Agreement

NOW, THEREFORE, in consideration of the premises, to induce the Beneficiary to enter into the Agreement and the other Transaction Documents, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1 – CREATION OF SECURITY

Section 1.1 Grant. In consideration of the moneys advanced and prepaid under the Agreement for the benefit of the Grantor, and in consideration of the mutual covenants contained herein, and for the purpose of securing payment and performance of the Obligations (as defined below in Section 1.4), Grantor hereby grants, bargains, sells, warrants, assigns, pledges, transfers and conveys to the Trustee, IN TRUST, WITH POWER OF SALE, and right of entry and possession subject to the terms hereof, for the benefit of the Beneficiary, all of Grantor's right, title and interest in and to the following real and personal property, rights, title and interests (collectively, the "Collateral"), whether presently owned or held or hereafter acquired:

(a) Lands and Realty. All lands and real property, including all patented mining claims, patented millsite claims, fee interests, leasehold interests, option rights, mineral interests, unpatented mining claims (lode and placer), unpatented millsites, tunnel sites and rights, amended claims, relocated claims, royalties and other real property interests (whether surface, underground, mineral, or other), as more particularly described on Exhibit A attached hereto and incorporated herein by reference (collectively, the "Lands");

(b) Gold, Silver and Minerals. All gold, silver, zinc, lead and other ores, minerals, metals, mineral elements and compounds, dore, concentrate, veins, lodes and mineral deposits that are on, in, under, extending from or into, produced or to be produced from, stored, stacked, handled, processed, refined, beneficiated, transported or marketed on or from all or any part of the Lands, including "As-Extracted Collateral" as defined in Colorado Revised Statutes Section 4-9-102, Section 9-102 of the Colorado Uniform Commercial Code (the "UCC"), all whether in place, extracted, produced, processed, stored or otherwise severed (collectively, the "Minerals");

(c) Leases. All leases and subleases (howsoever named or characterized), licenses of use, exploration agreements, joint venture agreements and other agreements and rights in, to or relating to the Lands or the use of any part thereof (the "Leases"), including any extensions or renewals

(d) Fixtures and Improvements. All buildings, structures, mills, crushers, facilities, offices, shops, tanks, pipelines, fixtures and other improvements, howsoever designated, now or hereafter located or constructed on the Lands (collectively, the "Improvements");

(e) Water Rights. All water, water rights (whether vested, certificated, permitted or otherwise, whether or not adjudicated, and whether or not with a place of use or point of diversion on the Lands), water right applications, reservoirs and reservoir rights, ditches and ditch rights, irrigation systems and irrigation rights, wells, well permits and other rights of use appertaining or belonging to or used in connection with the Lands and all wells, pumps, pumping stations, machinery and equipment associated therewith, and all shares of stock or similar interest (if any) evidencing reservoir, ditch, irrigation or other water rights or rights of use (collectively, the "Water Rights");

(f) Access Rights. All rights of way, easements, licenses, profits, privileges, tenements, hereditaments, appurtenances, roads, trails, transportation improvements, and other access rights or rights of use appertaining or belonging to or used in connection with the Lands, the Water Rights and/or the Improvements (collectively, the "Access Rights");

(g) Property Data. All records, data, reports and information relating to or associated with all or any portion of the Lands, the Minerals or the Water Rights, including maps, surveys, drilling data, drill logs, core samples and core data, technical, engineering and permitting information and reports, and all geological, metallurgical, geophysical, geochemical and analytical data and reports (collectively, the "Data");

(h) Permits and Approvals. All approvals, authorizations, licenses, permits, consents, variances, land use entitlements, applications, plans, bonds, filings or registrations by, with or from any governmental authority (federal, state or local) or other person associated with or necessary for the use or development of all or any portion of the Lands, Minerals, Improvements, Water Rights or Access Rights and all bonds, letters of credit and other financial accommodations that secure the performance of the foregoing (collectively, the "Permits");

(i) Accounts; Contract Rights; General Intangibles. All accounts, accounts receivable, contracts and contract rights, option and purchase rights, agreements, documents, instruments, income, receipts, revenues, earnings, rents, profits, deposits, security deposits, royalties and revenue arising from the use or enjoyment of all or any portion of the Lands, the Improvements or other Collateral, from the production, crushing, milling, treatment, storage, marketing, hedging, sale or transfer of all or any portion of the Minerals and from the use, sale, assignment, conveyance or transfer of all or any portion of any other Collateral (collectively, the "Accounts");

(j) Machinery; Equipment; Personal Property. All goods, machinery, equipment, drilling rigs and equipment, facilities, parts, supplies, power lines, tools, vehicles, rolling stock, furnishings, apparatus, inventory, fixtures and other personal property of every kind and nature, howsoever defined and whether or not attached or affixed in any manner to any building, structure or Improvement on the Lands (collectively, the "Personal Property");

(k) All Associated Property. All other property (whether real, personal or mixed), right, title or interest of any kind, nature or character, howsoever defined or identified, related to or associated with the Properties, the Lands, the Minerals, the Improvements, the Water Rights, the Access Rights, the Data, the Permits, the Accounts, the Personal Property or other property described herein; and

(l) Proceeds and Products. All proceeds and products of the Lands, Minerals, Improvements, Water Rights, Access Rights, Data, Permits, Personal Property, Accounts and other property rights and interests described herein.

TO HAVE AND TO HOLD all of the Collateral, together with all and singular the rights, privileges, benefits, contracts, hereditaments and appurtenances now or hereafter at any time before the foreclosure or release hereof, in any way appertaining or belonging thereto, unto the Trustee and to its substitutes or successors, forever, IN TRUST, upon the terms and conditions herein set forth; and Grantor hereby binds and obligates itself and its successors and assigns, to warrant and to defend, all and singular, title to the Collateral unto the Trustee, its substitutes or successors, forever, against the claims of any and all persons whomsoever claiming any part thereof.

Section 1.2 Creation of Security Interest. In addition to the grant contained in Section 1.1, and for the same consideration and purpose, the Grantor hereby grants to the Beneficiary, a first and prior continuing security interest in all Collateral constituting personal property, now owned or hereafter acquired by the Grantor, and in all Proceeds thereof (as defined below). The Grantor, without limiting the foregoing provisions of this Section 1.2, stipulates that the grant made by this Section 1.2 includes a grant of a security interest in all Minerals extracted or produced from or otherwise attributable to or severed from the Lands and in the Proceeds resulting from sale of such Minerals, such security interest to attach to such Minerals as-extracted, at the minehead of any mine located thereon, and to the Accounts resulting from such sales. "Proceeds" shall have the meaning given to such term in Article 9 of the UCC, and includes whatever is received or receivable upon the sale, exchange, collection or other disposition of the Collateral and insurance payable or damages or other payments by reason of loss or damage to the Collateral, and all additions thereto, substitutions and replacements thereof or accessions thereto.

Section 1.3 Pledge and Assignment. The Grantor hereby grants and makes a common law pledge and assignment to the Beneficiary of all Refinery Accounts (defined below) and all credit balances therein from time to time. "Refinery Accounts" means any account or allocation, and the credit balances in dollars or Minerals therein, of or for the benefit of the Grantor at or with any refinery, smelter or processing facility to which Minerals severed from or attributable to the Lands are delivered or held.

Section 1.4 Obligations Secured. This instrument is executed and delivered by the Grantor to secure and enforce the irrevocable, full, punctual and complete payment and performance when due (whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise) of:

(a) All amounts due or to become due under the Agreement, including the payment of all liabilities and amounts due or to become due under the Agreement **in the original principal amount of Thirty-Five Million Dollars ($35,000,000)** and under any other Transaction Document, together with any amendment, modification, renewal, restatement, replacement, extension, increase or additional amount made available thereunder. Notwithstanding the amount outstanding at any particular time, this Deed of Trust secures all amounts due under the Agreement plus all costs, fees, expenses and charges provided therein, which is made a part hereof by reference;

(b) Any and all other or additional indebtedness, liabilities or sums for which Grantor is now or may become liable to any Beneficiary or Trustee in any manner, whether under this instrument, the Agreement, any Transaction Document or any other or future instrument or document, either primarily or secondarily, absolutely or contingently, directly or indirectly, jointly, severally, or jointly and severally, and whether matured or unmatured, and whether or not created after payment in full of the Obligations if this instrument shall not have been released of record by Beneficiary;

(c) All sums advanced and costs and expenses incurred by the Beneficiary or the Trustee (directly or indirectly), including all legal, accounting, engineering, management, consulting or like fees and expenses made or incurred in connection with the Transaction Documents or the Obligations or any part thereof, any amendment, modification, renewal, restatement, replacement or extension thereof, the acquisition or perfection of any security therefor or otherwise in connection with the administration, preservation, perfection, enforcement and realization of the rights of the Trustee or the Beneficiary hereunder or under any of the other obligations secured hereby, including reasonable attorneys fees, courts costs and other litigation and foreclosure expenses;

(d) The prompt and complete performance of all obligations under the Agreement as and when due;

(e) All renewals, extensions, amendments, modifications, restatements and changes of, or substitutions or replacements for, all or any part of the items described above; and

(f) Each and every covenant and agreement of Grantor contained in any Transaction Document.

The indebtedness, liabilities and obligations secured hereby, as described in the foregoing clauses (a) – (f) are sometimes referred to herein as the "Obligations".

Section 1.5 Proceeds. The security interest of the Beneficiary hereunder in the Proceeds shall not be construed to mean that the Beneficiary consents to the sale or other disposition of any part of the Collateral other than Minerals extracted from or attributable to the Lands and sold in the ordinary course of business.

Section 1.6 Substitution of Beneficiary for Grantor. This instrument shall be effective, at the Beneficiary's option and as allowed by applicable law, either as a mortgage or as a deed of trust, and every grant herein to the Trustee of interests, powers, rights and remedies shall likewise be a grant of the same interests, powers, rights and remedies to the Beneficiary, as mortgagee. Subject to applicable law, the Beneficiary shall in all instances, and in its sole discretion, elect whether this instrument shall be effective as a mortgage or as a deed of trust.

Section 1.7 Future Advances. Grantor, and each party at any time claiming an interest in or lien or encumbrances against the Collateral, agrees that all advances made by the Beneficiary from time to time under any Transaction Document, and all other portions of the Obligations herein referred to, shall be secured by this Deed of Trust with priority as if all of the same had been advanced, had arisen or became owing or performable on the date of this Deed of Trust. No reduction of the outstanding principal balance under the Agreement shall extinguish, release or subordinate any rights, titles, interests, liens, security interests, powers or privileges intended, created or arising hereunder or under any other Transaction Document, and this Deed of Trust shall remain in full force and effect as to any subsequent advances or subsequently arising portions of the indebtedness without loss of priority until all Obligations are fully paid, performed and satisfied, all agreements and obligations, if any, of Beneficiary for future advances have been terminated, and this Deed of Trust has been released of record by Beneficiary.

Section 1.8 Continuing Status of Lien, Security Interest and Pledge. So long as the commitment under the Agreement remains in effect, whether or not subject to the satisfaction of any conditions precedent, the lien on the Collateral constituting real property and the security interest in and pledge relating to the Collateral constituting personal property created hereby shall remain in effect with the priority date established by the recording or filing hereof, notwithstanding the fact that from time to time the outstanding balance of obligations outstanding under the Agreement may be zero.

ARTICLE 2 – ASSIGNMENT OF PRODUCTION PROCEEDS, RENTS AND LEASEHOLD INTERESTS

Section 2.1 Assignment of Production Proceeds. As further security for the payment and performance of the Obligations, the Grantor hereby absolutely and unconditionally assigns and transfers to the Beneficiary, effective upon and during the continuance of an Event of Default, all Minerals (and the Proceeds therefrom) which are produced, extracted or severed from or attributable to the Lands and, effective automatically upon and during the continuance of an Event of Default, the Grantor hereby transfers, assigns, warrants and conveys to the Beneficiary all Minerals (and the Proceeds therefrom) which are produced, extracted or severed from or attributable to the Lands. Upon the occurrence and during the continuance of an Event of Default, all persons producing, purchasing or receiving such Minerals or the Proceeds therefrom are authorized and directed to treat the Beneficiary as the person entitled in the Grantor's place and stead to receive the same; and further, those persons will be fully protected in so treating the Beneficiary and will be under no obligation to see to the application by Beneficiary of any Proceeds received by it. The Grantor agrees that, if, after the occurrence and during the continuance of an Event of Default, any Proceeds from such Minerals are paid to the Grantor, such proceeds shall constitute trust funds in the hands of the Grantor, shall be segregated from all other funds of the Grantor and separately held by the Grantor, and shall be forthwith paid over by the Grantor to the Beneficiary. Upon the occurrence and during the continuance of an Event of Default, the Grantor shall, if and when requested by the Beneficiary, execute and file with any production purchaser a transfer order or other instrument declaring the

Beneficiary to be entitled to the Proceeds of severed Minerals and instructing such purchaser to pay such Proceeds to the Beneficiary. After the occurrence and during the continuance of an Event of Default, should any purchaser fail to make payment promptly to the Beneficiary of the proceeds derived from the sale thereof, the Beneficiary shall have the right, subject only to any contractual rights of such purchaser or any operator, to designate another purchaser to purchase and take such Products, without liability of any kind on the Beneficiary in making such selection so long as ordinary care is used in respect thereof.

Section 2.2 Assignment of Rents and Leasehold Interests. As further security for the payment and performance of the Obligations, the Grantor hereby absolutely and unconditionally assigns and transfers to Trustee, for the benefit of the Beneficiary, all the leases, income, rent, issues, deposits, profits and proceeds of the Lands and the Improvements to which the Grantor may be entitled, whether now due or to become due, and hereby gives to and confers upon the Trustee, on the occurrence of an Event of Default, the right, power and authority to collect such income, rents, issues, deposits, profits and proceeds of the Lands and the Improvements to which the Grantor may be entitled, whether now due, past due or to become due. This assignment constitutes an irrevocable direction and authorization of all tenants, account payors and other Persons, under any lease, contract, agreement or other Instrument to pay all income, rent, issues, deposits, profits and proceeds into an account specified by the Trustee upon demand and without further consent or other action by the Grantor.

Section 2.3 Power-of-Attorney; Collection. The Grantor hereby irrevocably appoints the Beneficiary its true and lawful attorney, at the option of the Beneficiary upon the occurrence and during the continuance of an Event of Default, to demand, receive and enforce payment, to give receipts, releases, and satisfactions, and to sue, either in the name of the Grantor or in the name of the Beneficiary, for all such income, rents, issues, deposits, profits and proceeds and apply the same to the Obligations secured hereby. It is understood and agreed that neither the foregoing assignments in Sections 2.1 and 2.2 nor the exercise by the Beneficiary of any of its rights or remedies under this Article 2 or otherwise hereunder shall be deemed to make the Beneficiary a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Collateral or the use, occupancy, enjoyment, or operation of all or any portion thereof. Notwithstanding anything to the contrary contained herein, so long as no Event of Default shall have occurred and be continuing, the Grantor shall have a license to collect all Proceeds from the Collateral as trustee for the benefit of the Beneficiary and shall apply such Proceeds in the following order of priority: (a) first, to the payment of the Obligations then due and payable, and (b) second, to such other obligations or matters as Grantor may reasonably determine. Upon the occurrence and during the continuance of an Event of Default, such license shall be deemed automatically revoked and any income, rents, issues, deposits, profits and proceeds received thereafter by the Grantor shall be delivered in kind to the Beneficiary. The Grantor hereby irrevocably constitutes and appoints the Beneficiary its true and lawful attorney-in-fact to enforce in the Grantor's name or in the Beneficiary's name or otherwise all rights of the Grantor and to do any and all things necessary and proper to carry out and implement the purposes hereof, which Beneficiary may exercise at any time after the occurrence and during the continuance of an Event of Default.

Section 2.4 Grantor's Payment Duties. Nothing contained herein will limit the Grantor's duty to make payment on the Obligations when the Proceeds received pursuant to this

Article 2 are insufficient to pay the costs, interest, principal and any other portion of the Obligations then owing, and the receipt of Proceeds pursuant hereto will be in addition to all other security now or hereafter existing to secure payment of the Obligations.

Section 2.5 Liability of Trustee and Beneficiary. Neither the Trustee nor the Beneficiary has any obligation to enforce collection of any of the Proceeds or other amounts described in this Article 2, and the Trustee and the Beneficiary are hereby released from all liability and responsibility in connection therewith, except the responsibility to account to Grantor for Proceeds and other amounts actually received.

Section 2.6 Indemnification. The Grantor agrees to indemnify and save and hold harmless the Trustee, the Beneficiary, their respective successors and affiliates and their respective directors, partners, managers, principals, officers, employees, agents, consultants and representatives (collectively, the "Indemnified Parties") from and against all claims, actions, liabilities, losses, judgments, reasonable attorneys' fees, costs and expenses and other charges of any description whatsoever (all of which are hereafter referred to in this Section 2.6 as "Claims") made against or sustained or incurred by any such Indemnified Party as a consequence of the assertion, either before or after the payment in full of the Obligations, that the Beneficiary received Minerals, Proceeds or rents, profits, income or proceeds of Collateral pursuant to this instrument, except to the extent any Claims arise out of any Indemnified Party's gross negligence or willful misconduct. The Indemnified Parties have the right to employ attorneys and to defend against any Claims and unless furnished with satisfactory indemnity, after notice to the Grantor, the Indemnified Parties will have the right to pay or compromise and adjust all Claims in its sole reasonable discretion. The Grantor shall indemnify and pay to the Indemnified Parties all amounts paid by any Indemnified Party in compromise or adjustment of any of the Claims or amounts adjudged against any Indemnified Party in respect of any of the Claims. The liabilities of Grantor as set forth in this Section 2.6 will constitute Obligations and will survive the termination of this instrument.

ARTICLE 3 – GRANTOR'S REPRESENTATIONS AND WARRANTIES

The Grantor hereby represents and warrants as follows (except as set forth in, and subject to the disclosures in, the Agreement and the Schedules thereto):

Section 3.1 Due Organization, Good Standing and Authority. The Grantor is duly organized, validly existing and in good standing under the laws of Colorado and is qualified to do business in every jurisdiction where necessary in light of its business and properties. The Grantor has full power, authority and legal right (i) to own or lease its assets and properties (including the Lands owned or leased by the Grantor) and to conduct its business as now being conducted, and (ii) to enter into its obligations under this Deed of Trust and each other agreement, document and instrument executed or to be executed by it pursuant hereto or in connection herewith and to perform the terms hereof and thereof applicable to it.

Section 3.2 Authorization and No Conflict. The execution and delivery by the Grantor of this Deed of Trust, and the performance of all transactions contemplated hereby and the fulfillment of and compliance with the terms of this Deed of Trust, have been duly authorized by all necessary action, corporate, partnership or otherwise, and do not and will not (i) conflict with or result in a breach of the terms, conditions or provisions of, (ii) constitute a default under, (iii) give any third party any right to accelerate any obligation under, (iv) result in a violation of, or (v) require any authorization, consent, approval, exemption or other action by or notice to any court or administrative or governmental body pursuant to (A) the operating agreement or other constating documents of the Grantor, (B) any law, statute or rule, or (C) any agreement, instrument, order, judgment or decree to which the Grantor is subject or by which any of its properties are bound.

Section 3.3 No Approvals. No authorization or approval or other action by, and no notice to or filing with, any governmental authority, regulatory body or other person or entity is required for the due execution, delivery and performance by the Grantor under this Deed of Trust.

Section 3.4 Validity. This Deed of Trust is, and when delivered hereunder will be, the legal, valid and binding obligation of the Grantor enforceable against the Grantor in accordance with its terms, subject to applicable bankruptcy, reorganization, insolvency or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in equity or law).

Section 3.5 Name and Location of Office. The Grantor has not used any corporate name or done business under any name other than its own, and the Grantor further covenants and agrees that it will not do so, nor will it change its state of organization outside of the State of Colorado without at least thirty days' prior notice to the Trustee and the Beneficiary.

Section 3.6 Litigation. Except as disclosed to the Beneficiary in Schedule 6.1(f) to the Agreement, there is no action, suit or proceeding at law or in equity, by or before any governmental or regulatory authority, court, arbitral tribunal or other body now pending (or, to the knowledge of the Grantor, threatened) against or affecting the Grantor, the Lands or any of the other Collateral which may materially adversely impact the Grantor or its business or the Lands or otherwise affect the legality, validity or enforceability of this Deed of Trust.

Section 3.7 Title.

(i) Exhibit A attached hereto and incorporated herein accurately and completely sets forth and describes all real property owned, held or controlled by the Grantor, including all fee interests, patented mining claims, patented millsite claims, unpatented mining claims, unpatented millsite claims, leasehold interests, option rights and other real property interests, and such Exhibit A is in a form that, when appended to this instrument, is adequate and sufficient for acceptance by Ouray County and San Miguel County, Colorado for the recording of real property instruments.

(ii) The Grantor is the exclusive owner or lessee of, and has good title to an undivided one hundred percent (100%) of the patented mining claims and millsite claims and the unpatented mining claims and millsite claims set forth on Exhibit A to this Deed of Trust (except to the extent that any ownership of less than 100% is expressly noted on such Exhibit A), which title is, subject to Permitted Liens, superior and paramount to any adverse claim or right of title which may be asserted, subject only to the paramount title of the United States as to any unpatented mining claims and millsite claims and the rights, if any, of third parties to the lands within such unpatented mining claims pursuant to the Multiple Mineral Development Act of 1954 and the Surface Resources and Multiple Use Act of 1955. With respect to any lease or option to purchase identified on Exhibit A, each such lease creates a valid and subsisting leasehold estate in the lands described in such lease and each option creates a valid right to purchase the lands described in such option, each such lease and option is in full force and effect, no event has occurred that, with the giving of notice or the passage of time, would constitute a default under such lease or option and all rent, royalties or other payments due under such lease or option have been timely paid;

(iii) With respect to the unpatented mining claims and unpatented millsite claims listed on the attached Exhibit A: (A) subject to the paramount title of the United States, the Grantor is in exclusive possession thereof, free and clear of all Liens, claims, encumbrances or other burdens on production, other than Permitted Liens; (B) all such claims were located, staked, filed and recorded on available public domain land in compliance with all applicable state and federal laws and regulations; (C) assessment work, intended in good faith to satisfy the requirements of state and federal laws and regulations and generally regarded in the mining industry as sufficient, for all assessment years up to and including the assessment year ending September 1, 1992, was timely and properly performed on or for the benefit of the claims, and affidavits evidencing such work were timely recorded; (D) claim rental and maintenance fees required to be paid under federal law in lieu of the performance of assessment work, in order to maintain the claims commencing with the assessment year ending on September 1, 1993 and through the assessment year ending on September 1, 2014, have been timely and properly paid, and affidavits or other notices evidencing such payments and required under federal or state laws or regulation have been timely and properly filed and recorded; (E) all filings with the BLM with respect to such claims which are required under FLPMA have been timely and properly made; and (F) there are no actions or administrative or other proceedings pending or to the best of the Grantor's knowledge threatened against or affecting any of the claims. Nothing herein shall be deemed a representation that any unpatented mining claim contains a discovery of valuable minerals or that any unpatented millsite claim is located on non-mineral land;

(iv) The Grantor has good and marketable title to the Improvements and the Personal Property. The Lands, the Improvements located thereon and the Personal Property constitute all of the properties and assets, tangible or intangible, real or personal, which are used in the conduct of the business of the Grantor, as such business is presently being conducted and as pertains to the Lands. No other material properties or assets, whether or not owned by the Grantor, are required for the operation of such business or the Lands as presently being operated or developed. All such properties and assets are owned free and clear of all clouds to title and of all Liens, except Permitted Liens or Liens permitted under the provisions of this Deed of Trust. All Improvements and Personal Property owned or held by the Grantor are in a state of repair adequate for normal operations and are in all material respects in good working order and condition for the conduct of the business of the Grantor as such business is presently being conducted.

Section 3.8 Leases and Royalties. The Leases are in full force and effect, in good standing and free from breach or default, and the Grantor is not aware of, and has not received notice of, any act or omission, which would constitute a material breach or default under the Lease or which would otherwise allow the lessor to terminate any Lease. Grantor has good right and full power and authority to assign, convey, grant and to transfer the interests in the Leases, without consent of the lessor (or Grantor has obtained sufficient consent from the lessor). Except as disclosed in writing to Beneficiary, there are no Royalties (as defined below) burdening or otherwise associated with such Lands. For purposes hereof, "Royalties" shall mean any amount payable as a share of the product or profit from the Lands or any Minerals produced therefrom and includes without limitation, production payments, net profits interests, net smelter return royalties, landowner's royalties, minimum royalties, overriding royalties and royalty bonuses.

Section 3.9 Transportation, Utilities and Water Supply. All utility services, means of transportation, ingress and egress roadways, easements, servitudes, rights of passage, facilities, water rights and other materials necessary for the operation of and access to the Lands (including, without limitation, gas, electrical, water supply and sewage services and facilities) are available on commercially reasonable terms in compliance with all applicable legal requirements, and the Grantor is not aware of any information that would lead it to believe that any of the foregoing will not be available in the future.

Section 3.10 Payment of Taxes. The Grantor has filed or caused to be filed all federal, state and local tax returns which to the knowledge of the Grantor are required to be filed and has paid or caused to be paid all taxes as shown on such returns or any assessment received by the Grantor to the extent that such taxes or assessments have become due, except such as may be diligently contested in good faith and by appropriate proceedings or as to which a bona fide dispute may exist and for which adequate reserves are being maintained.

Section 3.11 Compliance with Laws. With respect to the Lands and operations thereon, the Grantor has complied in all material respects with all applicable local, state and federal laws, including Environmental Laws (as defined in the Agreement), and regulations relating to the operation of the Lands, and the Grantor is not aware of any investigation (other than a routine inspection) of the Grantor or the Lands by any local, state or federal agency with respect to enforcement of such laws and regulations. The existing and planned use of the Properties complies or will comply with all applicable legal requirements, including but not limited to applicable regulations and restrictive covenants affecting the Lands, as well as all environmental, ecological, landmark and other applicable laws and regulations; and all requirements for such use have been satisfied to the extent necessary for the current operations involving the Lands. No release, emission or discharge into the environment of hazardous substances, as defined under any Environmental Law, has occurred or is presently occurring or will occur in operating the Properties in its intended form in excess of federally or state permitted releases or reportable quantities, or other concentrations, standards or limitations under the foregoing laws or under any other federal, state or local laws, regulations or governmental approvals in connection with the construction, operation, ore treatment, heap leaching, fuel supply, power generation and transmission or waste disposal, or any other operations or processes relating to the Properties, other than as allowed by or in compliance with applicable federal, state and local laws. The Lands and the Grantor's use and proposed use thereof are not and will not be in violation of any environmental, occupational safety and health or other applicable law now in effect, the effect of which violation, in any case or in the aggregate, would materially adversely affect the Lands or the Grantor's use thereof, or which, in any case or in the aggregate, would impose a material liability on the Trustee or the Beneficiary or jeopardize the interest of the Trustee or the Beneficiary in the Collateral. The Grantor has no knowledge of any past or existing violations of any such laws, ordinances or regulations issued by any governmental authority.

Section 3.12 Permits Affecting Properties. The Grantor has obtained all licenses, operating bonds, permits, authorizations and approvals from all governments, governmental commissions, boards and other agencies required in respect of its present use of and operations on the Lands.

ARTICLE 4 – COVENANTS

Section 4.1 Affirmative Covenants. The Grantor covenants and agrees that so long as any of the Obligations secured hereby remain unpaid or outstanding (except as specifically set forth in the Agreement):

(a) Due Payment. The Grantor will promptly pay when due, or within any applicable grace periods with respect thereto, any and all amounts for which it is obligated under the terms of the Agreement, this Deed of Trust and each other Transaction Document and will comply with all of the terms and provisions thereof and hereof;

(b) Perfection; Maintenance of Liens. The Grantor shall promptly, at the Grantor's own expense and insofar as not contrary to applicable law, execute such documents and provide such authorizations as Beneficiary may request so that Beneficiary may file and refile in such offices, at such times and as often as may be necessary, any instrument as may be necessary to create, perfect, maintain and preserve the lien and security interest intended to be created hereby and the rights and remedies hereunder; shall promptly furnish to the Trustee evidence satisfactory to the Trustee of all such filings and refilings; and otherwise shall do all things necessary or expedient to be done to effectively create, perfect, maintain and preserve the liens and security interests intended to be created hereby as a valid lien of first priority on real property and fixtures and a perfected security interest in personal property and fixtures, subject to Permitted Liens. The Grantor hereby authorizes the Trustee and the Beneficiary to file this Deed of Trust and one or more financing or continuation statements, and amendments thereto, relative to any or all of the Collateral;

(c) Maintenance of Lands. The Grantor will (i) cause each of the Water Rights and Access Rights owned, held or hereafter acquired by or for the Grantor and necessary or appropriate to the operation of a mine or mines upon the Lands to be kept in full force and effect by the payment of whatever sums may become payable and by the fulfillment of whatever other obligations, and the performance of whatever other acts may be required to the end that forfeiture or termination of each such interest shall be prevented unless the termination, forfeiture or other relinquishment of the interest is authorized by any operating plan or plan of operations then in effect thereunder, (ii) conduct all drilling, mining, exploratory work and related operations and activities in accordance with applicable federal, state and local laws and good and minerlike practice, (iii) maintain the Grantor as the sole owner of, and retain their exclusive possession of, all mining and millsite claims, free and clear of all Liens, subject only to the paramount title of the United States and Permitted Liens, (iv) timely pay all required federal claim maintenance fees, and timely record and file in the appropriate county and federal offices adequate affidavits and notices of timely payment of such fees, and amend, relocate, and locate new mining claims with respect to those unpatented mining claims as reasonably necessary to protect the Grantor's and the Trustee's interest in the Collateral, (v) timely make all payments and perform all obligations to prevent the forfeiture or termination of any portion of the Lands, (vi) permit the Trustee and the Beneficiary, through their employees, representatives and agents, to enter upon the Lands at any time, subject to appropriate safety procedures, for the purpose of investigating and inspecting the condition and operation of the Collateral, and do all other things necessary or proper to enable the Trustee and the Beneficiary to exercise this right upon reasonable notice at such times as the Trustee or the Beneficiary may reasonably request, and (vii) do all other things necessary to preserve and maintain the right, title and interest of the Trustee and the Beneficiary in the Collateral. The Grantor shall not abandon all or any portion of the Lands that is producing or capable of commercial production or forfeit, surrender or release any lease, sublease, operating agreement or other agreement or instrument comprising or affecting the Collateral;

(d) Maintenance of Unpatented Claims. To the extent not otherwise addressed herein, the Grantor covenants and agrees to timely pay all claim maintenance fees, to timely make all filings and recordings, including affidavits of payment, and to otherwise timely take all other necessary actions and pay such amounts relating to the preservation, maintenance, continuance and validity of unpatented mining claims and unpatented millsite claims as may be required by any federal, state or local governmental authority, including payment of claim maintenance fees to the U.S. Bureau of Land Management on or before July 15th of each year. The Grantor further covenants and agrees to provide the Beneficiary, on or before August 1 of each year, written notice and evidence of the payment of such claim maintenance fees for such unpatented claims. In the event that the Beneficiary has not received the notice and evidence described in the preceding sentence by August 1, the Trustee or the Beneficiary may, on behalf of the Grantor, make and pay any claim maintenance fees, in which event the Grantor shall promptly reimburse the Trustee and the Beneficiary for any such fees, with interest at the rate set forth in the Agreement, in addition to any costs and expenses incurred in making such payments, and all such amounts shall be Obligations hereunder;

(e) Maintenance of Collateral. The Grantor will keep all Improvements, Personal Property, inventory and fixtures of every kind now or hereafter included in the Collateral in good working order and condition (ordinary wear and tear excepted), and all repairs, renewals, replacements, additions, substitutions and improvements needful to such end shall be promptly made. The Grantor will comply fully with all of the terms and conditions of all leases, agreements and other instruments of title and all Access Rights and privileges necessary for the proper operation of such leases and instruments, and otherwise do all things necessary to keep Grantor's rights and Beneficiary's interest in the Collateral unimpaired;

(f) Compliance with Laws and Permits. The Grantor will (i) comply with all lawful rulings and regulations of each regulatory authority having jurisdiction over the Grantor or the Lands; (ii) conduct any and all operations and activities on the Lands in compliance with applicable federal, state and local laws, rules and regulations and with all Permits; (iii) reclaim the Lands in accordance with applicable federal, state and local laws, rules and regulations and all Permits; and (iv) obtain and maintain in full force and effect all Permits necessary or appropriate for the use or operation of the Collateral or activities on the Lands, in each case as currently conducted;

(g) Payment of Obligations. The Grantor will pay when due all liabilities and obligations of any nature, including all liabilities and obligations for labor, material, equipment and contracted services, incurred in or arising from the administration, operation or use of the Lands and the other Collateral;

(h) Protection of Collateral. The Grantor will protect every part of the Collateral from removal, destruction and damage, and will protect same from the doing or suffering to be done of any act, other than the use of the Collateral as hereby contemplated, whereby the value of the Collateral may be lessened;

(i) Insurance. The Grantor will carry (i) workmen's compensation insurance covering persons who are employed by or for the benefit of the Properties in compliance with applicable laws, and (ii) other insurance as required by the Transaction Documents;

(j) Further Assurances. The Grantor shall execute, acknowledge and deliver to the Trustee and the Beneficiary all and any such other and further instruments, documents and certificates and do and perform such other acts as in the opinion of the Trustee or the Beneficiary may be necessary or desirable to implement, effect and maintain the intent of this Deed of Trust, upon the reasonable request of the Trustee or the Beneficiary, and at the Grantor's expense;

(k) Defend Title. The Grantor warrants and shall forever defend the Collateral against every person whomsoever lawfully claiming the same or any part thereof, and the Grantor shall maintain and preserve the lien and security interest herein created until this instrument has been terminated and released as provided herein. If the title or the right of the Grantor or the Trustee or the Beneficiary to the Lands or any other Collateral or any part thereof shall be challenged or attacked, either directly or indirectly, or if any legal proceedings are commenced against the Grantor or all or any portion of the Lands, the Grantor shall promptly give written notice thereof to the Trustee and, at the Grantor's own expense, shall proceed diligently to defend against any such attack or proceedings, and the Trustee and the Beneficiary may take such independent action in connection therewith as either of them may, in its reasonable discretion, deem advisable to protect its interest in the Collateral, and all costs, expenses and reasonable attorneys' fees incurred by the Trustee or the Beneficiary in connection therewith shall be a demand obligation owing by the Grantor, and shall bear interest at the rate specified in the Agreement from the date such expenses are incurred until paid, and shall be part of the Obligations;

(l) Change in General Mining Law. In the event of the repeal or modification of the current General Mining Law of 1872 during the term of this Deed of Trust, such that the interest of the Grantor in those lands which are material to the exploration, development or operation of the Lands is affected, modified or transformed, the Grantor will use its best efforts to retain its interest in those lands and will consult with the Trustee and the Beneficiary to determine how best to preserve the interest of the Grantor and the interest of the Trustee and the Beneficiary in the affected Collateral, and the Grantor shall take no action, which in the reasonable opinion of the Trustee or the Beneficiary or their counsel could adversely affect or impair their interest in the Collateral or under this Deed of Trust;

(m) Information. The Grantor shall promptly furnish to the Trustee and the Beneficiary such information concerning the Grantor, the Grantor's business affairs and financial condition, the Collateral and the operations and financial condition of the Grantor, as the Trustee or the Beneficiary may reasonably request; and

(n) Access. The Grantor shall keep proper books, records and accounts in which complete and correct entries shall be made of the Grantor's transactions in accordance with generally accepted accounting principles, and shall keep the records concerning the accounts and contract rights included in the Collateral at the Grantor's place of business, and the Trustee and the Beneficiary shall have the right to inspect such records, and the Grantor shall furnish copies upon reasonable request and upon reasonable notice in accordance with the Agreement.

Section 4.2 Negative Covenants. The Grantor covenants and agrees that, so long as any of the Obligations secured hereby remains unpaid or outstanding, the Grantor shall not, either directly or indirectly:

(a) No Disposition of Assets. Except as permitted under the Agreement, sell, transfer, assign, convey or otherwise dispose of all or any part of the Collateral;

(b) No Debt. Except as permitted under the Agreement, incur, create, issue, assume or permit any borrowing or indebtedness to exist or incur, create or enter into any guaranty of any obligation of any other person or entity;

(c) No Liens. Except as permitted under the Agreement, incur, create, grant, assume, allow or suffer to exist any Lien on all or any part of the Lands or any other Collateral, except Permitted Liens; or

(d) Changes in Business. Except as permitted under the Agreement, liquidate or dissolve, or enter into any consolidation, merger, amalgamation, or sale or enter into any partnership, joint venture or other combination, where such transaction involves a contribution by the Grantor of all or a significant portion of the Collateral, or sell, lease or dispose of its business or the assets of the Grantor.

ARTICLE 5 – DEFAULT

The occurrence of any one or more of the following events in Section 5.1(a) through Section 5.1(f) shall constitute an "Event of Default":

Section 5.1 Events of Default. The term "Event of Default" shall have the meaning given thereto in the Agreement and each other Transaction Document, but shall also include the occurrence or the existence of any of the following conditions:

(a) The failure by the Grantor to keep, punctually perform, or observe any of the covenants, agreements, obligations or prohibitions contained herein, in the Agreement, in any

Transaction Document, in any other written instrument evidencing any of the Obligations or in any other agreement with the Trustee or the Beneficiary (whether now existing or entered into hereafter), and such failure remains unremedied for a period of five Business Days; or

(b) This Deed of Trust or any other collateral security granted by the Grantor with respect to the Obligations shall fail to constitute a valid and enforceable, perfected first priority security interest in or lien on any Collateral for any reason, subject to any Permitted Liens, or Grantor shall so state in writing or Grantor or any other Person shall take or agree to take any action threatening the validity, perfection or priority of any such security interest; or

(c) (i) The Grantor shall initiate or commence any case, proceeding or other action (A) under any existing or future bankruptcy or insolvency law, or otherwise seek to have it judged bankrupt or insolvent, or seek reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) any such case, proceeding or other action shall seek appointment of a receiver, trustee, custodian, administrator, conservator or other similar official for it or for all or any substantial part of its assets, or the Grantor shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Grantor any case, proceeding or other action of a nature referred to in clause (i) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period of sixty (60) days; or (iii) there shall be commenced against the Grantor any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of their assets which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; or (iv) the Grantor shall take any action in furtherance of, or indicating its consent to, approval of, authorization of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) the Grantor generally shall not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or

(d) Any governmental authority shall condemn, seize or appropriate all or any portion of the Collateral that is material to the financial condition, business or operations of the Grantor or the Properties; or

(e) The voluntary or involuntary dissolution, merger, consolidation, winding up or reorganization of Grantor or the occurrence of any action preparatory thereto.

(f) The assertion (except by the owner of an encumbrance expressly excepted from the Grantor's warranty of title herein) of any claim of priority over this instrument, by title, lien or otherwise, unless the Grantor within 30 days after such assertion either causes the assertion to be withdrawn or provides the Beneficiary with such further or additional security as the Beneficiary may require to protect the Beneficiary against all loss, damage, or expense, including attorneys' fees, which the Beneficiary may incur in the event such assertion is upheld.

Section 5.2 <u>Acceleration Upon Default</u>. Upon the occurrence of any Event of Default, or at any time thereafter during the continuance of an Event of Default, the Beneficiary may, at its option, by notice to the Grantor, declare all Obligations to be due and payable forthwith without any further notice, presentment or demand of any kind, all of which are hereby expressly waived.

Section 5.3 Possession and Operation of Property. Upon the occurrence of any Event of Default, or at any time thereafter during the continuance of an Event of Default, and in addition to all other rights therein conferred on the Trustee or the Beneficiary, the Trustee, the Beneficiary or any person, firm or corporation designated by Beneficiary, will have the right and power, but will not be obligated, to have an audit performed, at Grantor's expense, of the books and records of Grantor, and to enter upon and take possession of all or any part of the Collateral, to exclude Grantor therefrom, and to hold, use, administer and manage the same to the extent that Grantor could do so. The Trustee, the Beneficiary or any person, firm or corporation designated by the Beneficiary, may manage the Collateral, or any portion thereof, without any liability to the Grantor in connection with such management except with respect to gross negligence or willful misconduct; and the Trustee, the Beneficiary or any person, firm or corporation designated by the Beneficiary will have the right to collect, receive and receipt for all Products produced and sold from the Royalty Interests, and to exercise every power, right and privilege of the Grantor with respect to the Collateral. Providing there has been no foreclosure sale, when and if the expenses of the management of the Collateral have been paid and the Obligations paid in full, the remaining Collateral shall be returned to the Grantor.

Section 5.4 Ancillary Rights. Upon the occurrence of an Event of Default, or at any time thereafter during the continuance of an Event of Default, and in addition to all other rights of the Beneficiary hereunder, the Beneficiary may, without notice, demand or declaration of default, all of which are hereby expressly waived by the Grantor, proceed by a suit or suits in equity or at law (i) for the seizure and sale of the Collateral or any part thereof, (ii) for the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, (iii) for the foreclosure or sale of the Collateral or any part thereof under the judgment or decree of any court of competent jurisdiction, (iv) without regard to the solvency or insolvency of any person, and without regard to the value of the Collateral, and without notice to Grantor (notice being hereby expressly waived), for the ex parte appointment of a receiver to serve without bond pending any foreclosure or sale hereunder, or (v) for the enforcement of any other appropriate legal or equitable remedy.

Section 5.5 Availability of Rights and Remedies; Cumulative Rights and Remedies. Upon the occurrence of an Event of Default, or at any time thereafter during the continuance of an Event of Default, all of the rights and remedies provided to the Trustee or the Beneficiary in this Deed of Trust and each other collateral security documents shall immediately become available to the Trustee and the Beneficiary, and the Trustee and the Beneficiary shall have all other rights and remedies available at law or in equity. All rights and remedies of the Trustee and the Beneficiary set out in this Deed of Trust, each other collateral security document and as otherwise available are cumulative, and no right or remedy contained herein or therein is intended to be exclusive; each such right and remedy is in addition to every other right and remedy contained in this Deed of Trust, each other collateral security document or in any existing or future agreement or now or in the future existing at law, in equity, by statute or otherwise. Every right, power and remedy given by this Deed of Trust to the Trustee or the Beneficiary or to which either of them may be otherwise entitled, may be exercised concurrently or independently, from time to time and as often as may be deemed expedient by the Trustee or the Beneficiary, and either of them may pursue inconsistent remedies.

ARTICLE 6 – BENEFICIARY'S RIGHTS AS TO REALTY COLLATERAL UPON DEFAULT

Section 6.1 Deed of Trust or Mortgage. The Beneficiary may elect to treat this instrument as either a deed of trust or as a mortgage, but not both. Upon the occurrence of an Event of Default, or at any time thereafter, the Beneficiary or the Trustee may declare all sums secured hereby immediately due and payable either by commencing an action to foreclose this Deed of Trust as a mortgage, or by the delivery to the Trustee of a written declaration of default and demand for sale and of written notice of default and of election to cause the Collateral to be sold, which notice the Trustee shall cause to be duly filed for record in case of foreclosure by exercise of the power of sale herein. The decision by the Beneficiary to pursue its remedies and foreclose either by acting under the Deed of Trust as a deed of trust by exercise of the power of sale (and as otherwise set forth herein) or by acting under the Deed of Trust as a mortgage by exercise of a judicial foreclosure (and as otherwise set forth herein) may be made by the Beneficiary at the Beneficiary's sole option and discretion.

Section 6.2 Judicial Foreclosure. Upon the occurrence of an Event of Default, or at any time thereafter, in lieu of the exercise of the non-judicial power of sale hereafter given, the Beneficiary may, subject to any mandatory requirement of applicable law, proceed by suit to foreclose its lien hereunder and to sell or have sold the Collateral or any part thereof at one or more sales, as an entirety or in parcels, at such place or places and otherwise, in such manner and upon such notice as may be required by law, or, in the absence of any such requirement, as the Beneficiary may deem appropriate, and the Beneficiary shall thereafter make or cause to be made a conveyance to the purchaser or purchasers thereof. The Beneficiary may postpone the sale of the real property included in the Collateral or any part thereof by public announcement at the time and place of such sale, and from time to time thereafter may further postpone such sale by public announcement made at the time of sale fixed by the preceding postponement. Sale of a part of the real property included in the Collateral will not exhaust the power of sale, and sales may be made from time to time until all such property is sold or the Obligations are paid in full.

Section 6.3 Non-Judicial Foreclosure; Power of Sale. Upon the occurrence of an Event of Default, or at any time thereafter, the Trustee is hereby authorized and empowered, and it shall be its duty, upon request of the Beneficiary, and to the extent permitted by applicable law, to exercise the power of sale contained herein and sell any part of the Collateral at one or more sales, as an entirety or in parcels, at such place or places and otherwise in such manner and upon such notice as may be required by applicable law, or in the absence of any such requirement, as Trustee and/or Beneficiary may deem appropriate, and to make conveyance to the purchaser or purchasers thereof. Foreclosure through the Trustee will be initiated by the Beneficiary's filing of its notice of election and demand for sale with the Trustee. Upon the filing of such notice of election and demand for sale, the Trustee shall promptly comply with all notice and other requirements of the laws of Colorado then in force with respect to such sales, and shall give four weeks public notice of the time and place of such sale by advertisement weekly in some newspaper of general circulation then published in the County in which the property is located. Any sale shall be made to the highest bidder for cash at the door of the county courthouse of, or in such other place as may be required or permitted by applicable law in, the county in the state where the Collateral or any part thereof is situated; provided that and if the Collateral lies in more than one county, such part of the Collateral may be sold at the courthouse door of any one of such counties, and the notice so posted shall designate in which county such property shall be sold. Any such sale shall be made at public outcry, on the day of any month, during the hours of such day and after such written notices thereof have been publicly posted in such places and for such time periods and after all persons entitled to notice thereof have been sent such notice, all as required by applicable law in effect at the time of such sale. The affidavit of any person having knowledge of the facts to the effect that such a service was completed shall be prima facie evidence of the fact of service. The Grantor agrees that no notice of any sale, other than as required by applicable law, need be given by the Grantor, the Beneficiary or any other person. The Grantor hereby designates as its address for the purposes of such notice the address set out on page one hereof; and agrees that such address shall be changed only by depositing notice of such change enclosed in a postpaid wrapper in a post office or official depository under the care and custody of the United States Postal Service, certified mail, postage prepaid, return receipt requested, addressed to the Beneficiary or other holder of the Obligations at the address for the Beneficiary set out herein (or to such other address as the Beneficiary or other holder of the Obligations may have designated by notice given as above provided to the Grantor and such other debtors). Any such notice or change of address of the Grantor or other debtors or of the Beneficiary or of other holder of the Obligations shall be effective upon receipt. The Grantor authorizes and empowers the Trustee to sell the Collateral in lots or parcels or in its entirety as the Trustee shall deem expedient; and to execute and deliver to the purchaser or purchasers thereof good and sufficient deeds of conveyance thereto by fee simple title, with evidence of general warranty by the Trustee, and the title of such purchaser or purchasers when so made by the Trustee, the Grantor binds itself to warrant and forever defend, subject to Permitted Liens and the paramount ownership of the United States as to any unpatented mining or millsite claims. Where portions of the Collateral lie in different counties, sales in such counties may be conducted in any order that the Trustee may deem expedient; and one or more such sales may be conducted in the same month, or in successive or different months as the Trustee may deem expedient.

ARTICLE 7 – BENEFICIARY'S RIGHTS AS TO PERSONALTY AND FIXTURE COLLATERAL UPON DEFAULT

Section 7.1 Personalty Collateral. Upon the occurrence of an Event of Default, or at any time thereafter during the continuance of an Event of Default, the Beneficiary may, without notice to the Grantor, exercise its rights to declare all of the Obligations to be immediately due and payable, in which case the Beneficiary will have all rights and remedies granted by law, and particularly by the UCC, including, but not limited to, the right to take possession of any and all Collateral constituting personal property (the "Personalty Collateral"), and for this purpose the Beneficiary may enter upon any premises on which any or all of the Personalty Collateral is situated and take possession of and operate the Personalty Collateral or remove it therefrom. The Beneficiary may require the Grantor to assemble the Personalty Collateral and make it available to the Beneficiary or the Trustee at a place to be designated by Beneficiary which is reasonably convenient to all parties. Unless the Personalty Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Beneficiary will give the Grantor reasonable notice of the time and place of any public sale or of the time after which any private sale or other disposition of the Personalty Collateral is to be made. This requirement of sending reasonable notice will be met if the notice is mailed, postage prepaid, to the Grantor at the address designated above at least ten (10) days before the time of the sale or disposition.

Section 7.2 Sale with Realty Collateral. In the event of foreclosure, whether judicial or non-judicial, at the Beneficiary's option it may proceed under the Uniform Commercial Code as to the Personalty Collateral or it may proceed as to both Personalty Collateral and Collateral constituting real property in accordance with its rights and remedies in respect of the Collateral constituting real property.

Section 7.3 Private Sale. If the Beneficiary in good faith believes that any state or federal law prohibits or restricts the customary manner of sale or distribution of any of the Personalty Collateral, or if the Beneficiary determines that there is any other restraint or restriction limiting the timely sale or distribution of any such property in accordance with the customary manner of sale or distribution, the Beneficiary may sell or may cause the Trustee to sell such property privately or in any other manner it deems advisable at such price or prices as it determines in its sole discretion and without any liability whatsoever to the Grantor in connection therewith. The Grantor recognizes and agrees that such prohibition or restriction may cause such property to have less value than it otherwise would have and that, consequently, such sale or disposition by the Beneficiary may result in a lower sales price than if the sale were otherwise held.

ARTICLE 8 – OTHER PROVISIONS CONCERNING FORECLOSURE

Section 8.1 Possession and Delivery of Collateral. It shall not be necessary for the Beneficiary or the Trustee to have physically present or constructively in its possession any of the Collateral at any foreclosure sale, and the Grantor shall deliver to the purchasers at such sale on the date of sale the Collateral purchased by such purchasers at such sale, and if it should be impossible or impracticable for any of such purchasers to take actual delivery of the Collateral, then the title and right of possession to the Collateral shall pass to the purchaser at such sale as completely as if the same had been actually present and delivered.

Section 8.2 Beneficiary as Purchaser. The Beneficiary will have the right to become the purchaser at any foreclosure sale, and it will have the right to credit upon the amount of the bid the amount payable to it out of the net proceeds of sale. Upon compliance with the terms of any sale, Beneficiary may hold, retain, possess and dispose of such property in its own absolute right without further accountability.

Section 8.3 Recitals Conclusive; Warranty Deed; Ratification. Recitals contained in any conveyance to any purchaser at any sale made hereunder will conclusively establish the truth and accuracy of the matters therein stated, including, without limiting the generality of the foregoing, nonpayment of the unpaid principal sum of, and the interest accrued on, the written instruments constituting part or all of the Obligations after the same have become due and payable, nonpayment of any other of the Obligations or advertisement and conduct of the sale in the manner provided herein, and appointment of any successor Trustee hereunder. The Grantor ratifies and confirms all legal acts that Beneficiary and/or Trustee may do in carrying out the provisions of this instrument.

Section 8.4 Effect of Sale. Any sale or sales of the Collateral or any part thereof will operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Grantor in and to the premises and the property sold, and will be a perpetual bar, both at law and in equity, against the Grantor, Grantor's successors or assigns and against any and all persons claiming or who shall thereafter claim all or any of the property sold from, through or under the Grantor, or Grantor's successors or assigns. Subject to applicable rights of redemption under applicable law, the purchaser or purchasers at the foreclosure sale will receive immediate possession of the property purchased; and if the Grantor retains possession of the Collateral, or any part thereof, subsequent to sale, the Grantor will be considered a tenant at sufferance of the purchaser or purchasers, and if the Grantor remains in such possession after demand of the purchaser or purchasers to remove, the Grantor will be guilty of forcible detainer and will be subject to eviction and removal, forcible or otherwise, with or without process of law, and without any right to damages arising out of such removal.

Section 8.5 Application of Proceeds. The proceeds of any sale of the Collateral or any part thereof will be applied as follows:

(a) first, to the payment of all out of pocket expenses incurred by the Trustee and Beneficiary in connection therewith, including, without limiting the generality of the foregoing, reasonable court costs, legal fees and expenses, fees of accountants, engineers, consultants, agents or managers and expenses of any entry or taking of possession, holding, valuing, preparing for sale, advertising, selling and conveying;

(b) second, to the payment of the Obligations; and

(c) third, any surplus thereafter remaining to Grantor or Grantor's successors or assigns, as their interests may be established to Beneficiary's reasonable satisfaction.

Section 8.6 Deficiency. Subject to applicable law, the Grantor will remain liable for any deficiency owing to the Beneficiary after application of the net proceeds of any foreclosure sale.

Section 8.7 Grantor's Waiver of Appraisement, Marshaling, Etc. The Grantor agrees that the Grantor will not at any time insist upon or plead or in any manner whatsoever claim the benefit of any appraisement, valuation, stay, extension or redemption law now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this instrument, the absolute sale of the Collateral or the possession thereof by any purchaser at any sale made pursuant to this instrument or pursuant to the decree of any court of competent jurisdiction. The Grantor, for the Grantor and all who may claim through or under the Grantor, hereby waives the benefit of all such laws and to the extent that the Grantor may lawfully do so under applicable state law, waives any and all right to have the Collateral marshaled upon any foreclosure of the lien hereof or sold in inverse order of alienation and, the Grantor agrees that the Grantor may sell the Collateral as an entirety.

ARTICLE 9 – MISCELLANEOUS

Section 9.1 Recording and Filing. The Grantor shall pay all costs of filing, registering and recording this and every other instrument in addition or supplemental hereto and all financing statements the Beneficiary may require, in such offices and places and at such times and as often as may be, in the judgment of the Beneficiary, necessary to preserve, protect and renew the lien and security interest herein created as a first lien and prior security interest on and in the Collateral and otherwise do and perform all matters or things necessary or expedient to be done or observed by reason of any law or regulation of any State or of the United States or of any other competent authority for the purpose of effectively creating, maintaining and preserving the lien and security interest created herein and on the Collateral and the priority thereof. The Grantor shall also pay the costs of obtaining reports from appropriate filing officers concerning financing statement filings in respect of any of the Collateral in which a security interest is granted herein.

Section 9.2 Trustee's and Beneficiary's Right to Perform Grantor's Obligations. The Grantor agrees that, if Grantor fails to perform any act which Grantor is required to perform under this instrument, the Beneficiary or the Trustee or any receiver appointed hereunder may, but shall not be obligated to, perform or cause to be performed such act, and any expense incurred by the Beneficiary or the Trustee in so doing shall be a demand obligation owing by the Grantor to the Beneficiary, shall bear interest at an annual rate equal to the maximum interest rate provided in the Agreement until paid and shall be a part of the Obligations, and the Beneficiary, the Trustee or any receiver shall be subrogated to all of the rights of the party receiving the benefit of such performance. The undertaking of such performance by the Beneficiary, the Trustee or any receiver as aforesaid shall not obligate such person to continue such performance or to engage in such performance or performance of any other act in the future, shall not relieve the Grantor from the observance or performance of any covenant, warranty or agreement contained in this instrument or constitute a waiver of default hereunder and shall not affect the right of the Beneficiary to accelerate the payment of all indebtedness and other sums secured hereby or to resort to any other of its rights or remedies hereunder or under applicable law. In the event the Beneficiary, the Trustee or any receiver appointed hereunder undertakes any such action, no such party shall have any liability to the Grantor in the absence of a showing of gross negligence or willful misconduct of such party, and in all events no party other than the acting party shall be liable to Grantor.

Section 9.3 Discharge of Purchaser. Upon any sale made under the powers of sale herein granted and conferred, the receipt of Beneficiary will be sufficient discharge to the purchaser or purchasers at any sale for the purchase money, and such purchaser or purchasers and the heirs, devisees, personal representatives, successors and assigns thereof will not, after paying such purchase money and receiving such receipt of Beneficiary, be obliged to see to the application thereof or be in anywise answerable for any loss, misapplication or nonapplication thereof.

Section 9.4 Indebtedness of Obligations Absolute. Nothing herein contained shall be construed as limiting the Beneficiary to the collection of any indebtedness of the Grantor to the Beneficiary only out of the income, revenue, rents, issues and profits from the Collateral or as obligating the Beneficiary to delay or withhold action upon any default which may be occasioned by failure of such income or revenue to be sufficient to retire the principal or interest when due on the indebtedness secured hereby. It is expressly understood between the Beneficiary and the Grantor that any indebtedness of the Grantor to the Beneficiary secured hereby shall constitute an absolute, unconditional obligation of the Grantor to pay as provided herein or therein in accordance with the terms of the instrument evidencing such indebtedness in the amount therein specified at the maturity date or at the respective maturity dates of the installments thereof, whether by acceleration or otherwise.

Section 9.5 Defense of Claims. The Trustee will promptly notify the Grantor and the Beneficiary in writing of the commencement of any legal proceedings affecting Beneficiary's or Trustee's interest in the Collateral, or any part thereof, and shall take such action, employing attorneys acceptable to the Beneficiary (acting reasonably), as may be necessary to preserve the Grantor's, the Trustee's and the Beneficiary's rights affected thereby; and should the Grantor fail or refuse to take any such action, the Trustee or the Beneficiary may take the action on behalf of and in the name of the Grantor and at the Grantor's expense. Moreover, the Beneficiary or the Trustee on behalf of Beneficiary may take independent action in connection therewith as they may in their discretion deem proper, and the Grantor hereby agrees to make reimbursement for all sums advanced and all expenses incurred in such actions plus interest at a rate equal to the maximum interest rate provided in the Agreement.

Section 9.6 Termination. If all the Obligations are irrevocably and finally paid in full, the covenants herein contained are well and truly performed, and the Transaction Documents are all terminated and no longer in effect, and if the Grantor and the Beneficiary intend at such time that this instrument not secure any obligation of the Grantor thereafter arising, then the Beneficiary shall, upon the request of the Grantor and at the Grantor's cost and expense, deliver to Grantor proper instruments executed by the Beneficiary evidencing the release of this instrument. Until such delivery, this instrument shall remain and continue in full force and effect. All indemnifications provided by the Grantor for the benefit of the Trustee and/or the Beneficiary shall survive any release or termination of this Deed of Trust and shall remain in full force and effect.

Section 9.7 Renewals, Amendments and Other Security. Renewals, restatements, replacements and extensions of the Obligations may be given at any time, amendments may be made to the agreements with third parties relating to any part of the Obligations or the Collateral, and the Beneficiary or the Trustee may take or hold other security for the Obligations without notice to or consent of the Grantor. The Trustee or the Beneficiary may resort first to other security or any part thereof, or first to the security herein given or any part thereof, or from time to time to either or both, even to the partial or complete abandonment of either security, and such action will not be a waiver of any rights conferred by this instrument.

Section 9.8 Successor Trustees. The Trustee may resign in writing addressed to Beneficiary or be removed at any time with or without cause by an instrument in writing duly executed by Beneficiary. In case of the resignation or removal of the Trustee, a successor Trustee may be appointed by Beneficiary by instrument of substitution complying with any applicable requirements of law, and in the absence of any such requirement, without other formality than an appointment and designation in writing. Any appointment and designation will be full evidence of the right and authority to make the same and of all facts therein recited. Upon the making of any appointment and designation, all the estate and title of the Trustee in all of the Collateral will vest in the named successor Trustee, and the successor will thereupon succeed to all the rights, powers, privileges, immunities and duties hereby conferred upon the Trustee. All references herein to the Trustee will be deemed to refer to the Trustee from time to time acting hereunder.

Section 9.9 Limitations on Interest. No provision of the Agreement, the other Transaction Documents, or other instrument constituting or evidencing any of the Obligations or any other agreement between the parties shall require the payment or permit the collection of interest in excess of the maximum non-usurious rate which Grantor may agree to pay under applicable laws. The intention of the parties being to conform strictly to applicable usury laws now in force, the interest on the principal amount of the Agreement and the interest on other amounts due under and/or secured by this instrument shall be held to be subject to reduction to the amount allowed under said applicable usury laws as now or hereafter construed by the courts having jurisdiction, and any excess interest paid shall be credited to Grantor.

Section 9.10 Effect of Instrument. This instrument shall be deemed and construed to be, and may be enforced as, an assignment, chattel mortgage or security agreement, common law pledge, contract, deed of trust, financing statement, real estate mortgage, and as any one or more of them if appropriate under applicable state law. This instrument shall be effective as a financing statement covering minerals, As-Extracted Collateral or the like and accounts subject to Article 9 of the Uniform Commercial Code as enacted in the appropriate jurisdiction and is to be filed for record in the Office of the County Clerk or other appropriate office of each county where any part of the Collateral is situated. A carbon, photographic, or other reproduction of this Deed of Trust or of any financing statement relating to this Deed of Trust shall be sufficient as a financing statement.

Section 9.11 Unenforceable or Inapplicable Provisions. If any provision hereof or of any of the written instruments constituting part or all of the Obligations is invalid or unenforceable in any jurisdiction, whether with respect to all parties hereto or with respect to less than all of such parties, the other provisions hereof and of the written instruments will remain in full force and effect in that jurisdiction with respect to the parties as to which such provision is valid and enforceable, and the remaining provisions hereof will be liberally construed in favor of Beneficiary in order to carry out the provisions hereof. The invalidity of any provision of this instrument in any jurisdiction will not affect the validity or enforceability of any provision in any other jurisdiction.

Section 9.12 Rights Cumulative; Delay or Omission No Waiver.

(a) Each and every right, power and remedy given to Beneficiary herein or in any other written instrument relating to the Obligations will be cumulative and not exclusive; and each and every right, power and remedy whether specifically given herein or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by Beneficiary, and the exercise, or the beginning of the exercise, of any such right, power or remedy will not be deemed a waiver of the right to exercise, at the same time or thereafter, any other right, power or remedy. No waiver, delay, omission, or forbearance by Beneficiary of any right, power or remedy hereunder or under applicable law on any occasion will act as, or shall be deemed to be, a bar to the exercise of any right, power or remedy on any subsequent occasion or shall otherwise exhaust or impair any such right, power or remedy or shall be deemed to waive any Event of Default or to constitute acquiescence. Every right, power and remedy given to Trustee or Beneficiary may be exercised from time to time and as often as may be deemed expedient by Trustee or Beneficiary.

(b) No failure on the part of Beneficiary to exercise, no course of dealing with respect to, and no delay on the part of Beneficiary in exercising, any right, power or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right, power, privilege or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power, privilege or remedy.

(c) In the event that Beneficiary shall have instituted any proceeding to enforce any right, power, privilege or remedy under this Deed of Trust or any other Transaction Document by foreclosure, sale, entry or otherwise, and such proceeding shall have been discontinued or abandoned for any reason, then and in every such case, the Grantor and Beneficiary shall be restored to its respective former positions and rights hereunder with respect to the Collateral, and all rights, remedies, privileges and powers of Beneficiary shall continue as if no such proceeding had been instituted.

Section 9.13 Non-Waiver. No act, delay, forbearance, omission or course of dealing between Beneficiary and Grantor will be a waiver of any of Beneficiary's rights or remedies hereunder or under applicable law. No waiver, change or modification in whole or in part of this instrument or any other written instrument will be effective unless in a writing signed by Beneficiary.

Section 9.14 Beneficiary's Expenses. The Grantor agrees to pay in full all expenses and reasonable attorneys' fees of the Beneficiary or the Trustee which may have been or may be incurred by the Beneficiary or the Trustee in connection with the collection of the Obligations and the enforcement of any of Grantor's obligations hereunder and under any documents executed in connection with the Obligations.

Section 9.15 Indemnification. In addition to any other indemnifications or similar obligations contained in this instrument or elsewhere, the Grantor hereby indemnifies, saves and holds harmless, and agrees to defend, the Beneficiary, the Trustee, their respective successors and assigns, their respective Affiliates and their respective directors, partners, managers, principals, officers, employees, agents, consultants and representatives (each, an "Indemnified Party) from, and no such Indemnified Party shall be liable for, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, fines, suits, costs, charges, claims, taxes, fees, expenses, payments or disbursements of any kind whatsoever, including attorneys' fees and expenses (collectively "Losses") which may at any time (including, without limitation, at any time following the payment of the Obligations) be imposed on, incurred or suffered by or asserted against any Indemnified Party in any way relating to or arising out of this Deed of Trust or any other Transaction Document or any instrument contemplated by or referred to herein or therein (including exercise by the Beneficiary or the Trustee of any right, power or remedy conferred upon it by this instrument or any other instrument pertaining hereto, or from the attempt or failure of the Beneficiary or the Trustee to exercise any such right, power or remedy), or the transactions contemplated hereby or thereby, or any act or omission of the Grantor, or the ownership, management, administration, operation, use or condition of the Lands, the other Collateral or the Properties or any other property, except with respect to Losses arising entirely out of the gross negligence or willful misconduct of such Indemnified Party. Notwithstanding any provision hereof to the contrary, the foregoing indemnity shall in all respects survive, continue and remain in full force and effect even though all Obligations, indebtedness and other sums secured hereby may be fully paid and the lien of this instrument released.

Section 9.16 Partial Releases. In the event the Grantor sells for monetary consideration or otherwise any portion of the Collateral, in compliance with and as permitted by the Agreement, the Beneficiary and the Trustee shall release the lien of this instrument with respect to the portion sold, at the reasonable request of the Grantor, at the Grantor's cost and expense. No release from the lien of this instrument of any part of the Collateral by Beneficiary shall in anywise alter, vary or diminish the force, effect or lien of this instrument on the balance or remainder of the Collateral.

Section 9.17 Subrogation. This instrument is made with full substitution and subrogation of Beneficiary and Trustee in and to all covenants and warranties by others heretofore given or made in respect of the Collateral or any part thereof.

Section 9.18 Notice. All notices and deliveries of information hereunder shall be deemed to have been duly given if actually delivered or mailed by registered or certified mail, postage prepaid, addressed to the parties hereto at the addresses set forth above on page 1; if by mail, then as of the date of such mailing. Each party may, by written notice so delivered to the others, change the address to which delivery shall thereafter be made.

Section 9.19 Successors. This instrument shall bind and inure to the benefit of the respective successors and assigns of the parties.

Section 9.20 Interpretation.

(a) Article and section headings used in this instrument are intended for convenience only and shall be given no significance whatever in interpreting and construing the provisions of this instrument.

(b) As used in this instrument, "Beneficiary" and "Trustee" include their respective successors and assigns. Unless context otherwise requires, words in the singular number include the plural and in the plural number include the singular. Words of the masculine gender include the feminine and neuter gender and words of the neuter gender may refer to any gender.

Section 9.21 Counterparts. This instrument may be executed in any number of counterparts, each of which will for all purposes be deemed to be an original, and all of which are identical except that to facilitate recordation, in particular counterparts hereof, portions of Exhibit A hereto which describe properties situated in counties other than the county in which the counterpart is to be recorded have been omitted.

Section 9.22 Survival of Representations and Warranties. All representations and warranties made hereunder and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Deed of Trust and the advance of any amounts in connection with the Agreement.

Section 9.23 Rights Absolute. All rights of the Trustee and the Beneficiary and the deed of trust, pledge, assignment, charge and security interest hereunder, and all obligations of the Grantor hereunder, shall be absolute and unconditional, irrespective of:

(a) any lack of validity or enforceability of any Transaction Document or any other agreement or instrument relating thereto;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from any Transaction Document, including, without limitation, any increase in the Obligations;

(c) any taking, exchange, release or non-perfection of any other collateral, or any taking, release, amendment or waiver of or consent to departure from any guaranty, surety or support agreement for all or any of the Obligations;

(d) any manner of application of collateral or proceeds thereof, to all or any of the Obligations, or any manner of sale or other disposition of any collateral for all or any of the Obligations or any other assets of any principal, guarantor or surety;

(e) any change, restructuring or termination of the corporate or company structure or existence of the Grantor or any affiliate thereof; and

(f) any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Grantor or any affiliate of the Grantor, any other Person liable for the Obligations or a third party guarantor or grantor of a security interest.

Section 9.24 Entire Agreement; Exhibits. The Exhibits to this Deed of Trust form an integral part of this Deed of Trust and are incorporated herein by reference and expressly made a part hereof. This Deed of Trust constitutes the entire agreement among the parties with respect to the subject matter hereof, superseding all prior statements, representations, discussions, agreements and understandings, oral or written, relating to such subject matter, including all term sheets and commitment letters.

Section 9.25 Acknowledgments. The Grantor hereby acknowledges that:

(a) it has been advised by its own legal counsel in the negotiation, preparation, execution and delivery of this Deed of Trust and each other Transaction Document;

(b) this Deed of Trust shall not be construed against any party or more favorably in favor of any party based upon which party drafted the same, it being agreed and acknowledged that all parties contributed substantially to the negotiation and preparation of this Agreement;

(c) the Beneficiary has no fiduciary relationship with or duty to the Grantor, and the relationship between the Beneficiary, on the one hand, and the Grantor, on the other hand, in connection herewith is solely that of creditor and debtor; and

(d) this Deed of Trust does not create a joint venture or partnership among the parties hereto or for whom it benefits, and no joint venture, partnership, mining partnership, or other fiduciary relationship exists, or shall be deemed to exist, among the Beneficiary and the Grantor or among the Trustee and the Grantor.

Section 9.26 Governing Law. This Deed of Trust shall be governed by the laws of the State of Colorado.

Section 9.27 Waiver of Jury Trial. Beneficiary and Grantor hereby knowingly, voluntarily and intentionally waive any rights they may have to a trial by jury in respect of any litigation based hereon, or arising out of, under or in connection with, this instrument or any course of conduct, course of dealing, statements (whether verbal or written) or actions of Grantor or Beneficiary. This Waiver of Jury Trial is a material inducement for Beneficiary entering into this instrument and the other Transaction Documents.

[Signature Page to Follow]

IN WITNESS WHEREOF, this Deed of Trust has been duly and validly executed and delivered by the Grantor as of the date first written above.

GRANTOR:

FORTUNE REVENUE SILVER MINES, INC.,
a Colorado corporation

By: ______________________________
Name: David Knight
Title: Secretary

PROVINCE OF ONTARIO)
) ss.
COUNTY OF YORK)

On October 1, 2014 personally appeared before me, a notary public for the Province of Ontario, Canada, DAVID KNIGHT, the SECRETARY of Fortune Revenue Silver Mines, Inc., a Colorado corporation, who acknowledged that he executed the above instrument for and on behalf of Fortune Revenue Silver Mines, Inc.

Witness my hand and official seal.

My commission expires N/A

____
Notary Public

[Signature and Acknowledgment Page to Fortune Revenue Silver Mines, Inc. Deed of Trust]

SCHEDULE 1.1(a) – REPAYMENT UNITS DUE

Schedule of Repayments Deleted

SCHEDULE 1.1(b) – MATERIAL CONTRACTS

2011 Stock Purchase Agreement (as defined in the Asset Purchase Agreement)

Seller Security Agreement

Installment Sale Contract between Wagner Equipment Co., as seller, and Star Mine Operations, LLC, as buyer, with respect to the equipment described in Schedule 1.1(d)(i)(1)

Installment Sale Contract between Wagner Equipment Co., as seller, and Star Mine Operations, LLC, as buyer, with respect to the equipment described in Schedule 1.1(d)(iii)(1)

Three lease agreements each effective May 15, 2013 between Park Western Leasing, Inc., as lessor, and James W. Williams, Jr. and Southwestern Production Corp., as lessees, with respect to the equipment described in Schedule 1.1(d)(ii)(1)

Lease agreement dated April 22, 2014 between Forest Classics, Ltd. as lessor and Star Mine Operations, LLC, as lessee, with respect to a boom truck(1)

Note:

(1) To be assigned to Seller pursuant to the Asset Purchase Agreement

SCHEDULE 1.1(c) – MINERAL PROPERTIES

Schedule deleted

SCHEDULE 1.1(d) – PERMITTED LIENS

Schedule deleted

SCHEDULE 1.1(e) - MONTHLY BUDGET

Schedule Deleted

SCHEDULE 2.4 – USE OF PROCEEDS

Schedule deleted

SCHEDULE 7.1(b) – SUBSIDIARIES

Fortune Minerals Mining Limited (Ontario)
Fortune Coal Limited (Ontario)
Fortune Minerals NWT Inc. (Ontario)
Fortune Minerals Saskatchewan Inc.
Fortune Minerals Marketing Limited (Barbados)
Fortune Revenue Silver Mines, Inc. (Colorado)
Arctos Anthracite Joint Venture (unincorporated joint venture)

All of the foregoing entites are wholly-owned direct subsidiaries of Fortune except the Arctos Anthracite Joint Venture, in which Fortune Coal Limited has an 80% ownership interest.

SCHEDULE 7.1(i) – REAL PROPERTY

The Mineral Property interests set out in Schedule 1.1(c) and the following:

Lease of warehouse facilities located at 1900 Main Street, Ouray, CO pursuant to Lease Agreement dated 5/01/2012 with High Country Warehouse Development Group LLC, as lessor

Lease of parking property located at 1900 Main Street, Ouray, CO pursuant to Rental Agreement dated 4/16/2014 with Dick Jossi, as lessor

SCHEDULE 7.1(n) – ENVIRONMENTAL DISCLOSURE

NONE

SCHEDULE 7.1(r) – PROJECT PERMITS

Schedule deleted

SCHEDULE 7.1(x) - PENSION AND MULTIEMPLOYER PLANS

NONE

SCHEDULE 8.1(p) – MAINTENANCE OF INSURANCE

Schedule deleted

SCHEDULE 8.1(u) – SELLER'S ACCOUNTS

Schedule deleted

SCHEDULE 8.1(aa) – ADDITIONAL COVENANTS

Schedule deleted

SCHEDULE 8.1(bb) - POST CLOSING MATTERS

Schedule Deleted