ABACUS MINING & EXPLORATION CORPORATION
6th Floor, 800 West Pender Street
Vancouver, British Columbia
V6C 2V6

July 30, 2014

Burnstone Ventures Inc. VIA EMAIL
Suite 615 - 800 West Pender Street
Vancouver, British Columbia
V6C 2V6

Attn: Mr. Doug Fulcher, President and CEO

Dear Mr. Fulcher:

Re: Proposed Plan of Arrangement Transaction

Abacus Mining & Exploration Corporation ("**Abacus**") is pleased to provide, subject to confirmatory due diligence, this binding letter agreement ("**Letter Agreement**") in pursuing the acquisition of all of the securities of Burnstone Ventures Inc. ("**Burnstone**") pursuant to a plan of arrangement made in accordance with applicable corporate and securities legislation. Such acquisition is referred to herein as the "**Transaction**".

Upon execution by each of us, this Letter Agreement will constitute a legally binding agreement between us, enforceable in accordance with its terms. It will also establish the framework for the implementation of the Transaction and form the basis of preparing the definitive Agreement (as defined below).

1. *Proposed Transaction Structure*

We propose that the Transaction be effected by way of a plan of arrangement, which would be effected pursuant to an "Arrangement Agreement" (the "**Agreement**") on the terms and conditions contained therein, and also subject to the approval of the holders of the common shares of Burnstone and Abacus, and the Ontario Superior Court. The purchaser will be Abacus or a wholly-owned affiliate. Also upon completion of the acquisition, one of the current directors of Burnstone, Gordon Keevil, will be appointed to the board of directors of Abacus.

The final structure of the Transaction will be mutually determined by Abacus and Burnstone based on tax, securities, corporate law and other considerations.

2. *Consideration*

Based on our previous due diligence and review of other publicly available information, we would propose to acquire each of the Burnstone common shares ("**Burnstone Shares**") for aggregate consideration of 0.43 Abacus common shares ("**Abacus Shares**") for every Burnstone Share (the "**Exchange Ratio**"). Certain creditors of Burnstone have agreed to take Burnstone Shares in full settlement of their respective debt, at a deemed price of $0.05 per Burnstone Share (the "**Debt Settlement**"), which would then be exchanged pursuant to the Transaction for Abacus Shares at the same Exchange Ratio. It is expected that approximately 4,026,095 Abacus Shares will be issued in connection with the Debt Settlement. Including the Abacus Shares to be issued on the Debt Settlement, it is expected that approximately 23 million Abacus Shares will be issued in connection with the Transaction.

All stock options of Burnstone ("**Burnstone Options**") will be cancelled on closing of the Transaction. Abacus will assume all current common share purchase warrants of Burnstone (the "**Warrants**"), which will be adjusted upon closing of the Transaction on the basis of the Exchange Ratio. Currently, Burnstone has issued and outstanding 630,500 Warrants expiring on November 30, 2014 with an exercise price of $0.10, and 3,058,751 Warrants expiring on January 21, 2015 with an exercise price of $0.25.

3. *Documentation*

The parties will negotiate and enter into: (i) the definitive Agreement on or before August 22, 2014, based on the terms outlined herein and in Schedule "A" hereto; and (ii) lock-up agreements with each of the directors and senior officers of Burnstone (the "**Lock-up Agreements**"), which Lock-up Agreements will be executed contemporaneously with the definitive Agreement.

The Agreement shall contain mutually agreeable representations, warranties, conditions and covenants as are customary for a transaction of this nature. The obligation of Abacus to enter into the definitive Agreement will be subject to completion, to its satisfaction in its sole discretion, of its confirmatory due diligence. This Letter Agreement will automatically terminate upon the earlier of: (i) execution of the definitive Agreement and (ii) the written agreement of the parties.

4. *Exclusivity*

Burnstone acknowledges that the negotiations and due diligence investigation and review contemplated by this Letter Agreement will involve the expenditure of substantial time and money by Abacus. In consideration of that expenditure, Burnstone shall immediately suspend and cease any negotiations or other discussions or communications of any nature with any other party concerning any Alternative Transaction (as defined below). During the period (the "**Exclusivity Period**") commencing on the date hereof (the "**Signing Date**") until the earlier of: (i) the date the Agreement is signed by Abacus and Burnstone; and (ii) the date this Letter Agreement is terminated in accordance with its terms, neither Burnstone nor any of its officers, directors, employees, advisors, agents or representatives shall, directly or indirectly, in any manner (a) make, solicit, encourage, facilitate or initiate any discussions or proposals; (b) furnish or cause to be furnished any information to any persons or entities (other than Abacus or its representatives); or (c) engage in negotiations or discussions, or in any way cooperate; in each case, regarding (A) the acquisition or purchase of 20% or more of the Burnstone Shares, or securities convertible into Burnstone Shares; (B) any take-over bid, tender offer or exchange offer for Burnstone Shares; (C) the acquisition or purchase of all or any significant part of the properties or assets of Burnstone or its subsidiaries; (D) any amalgamation, plan of arrangement, merger or other business combination involving Burnstone; or (E) any other transaction, the consummation of which would, or could reasonably be expected to, impede, interfere with, prevent or delay the Transaction or could reasonably be expected to materially reduce the benefits to Abacus under this Letter Agreement or the Transaction (each of the foregoing, an "**Alternative Transaction**").

Burnstone shall immediately notify Abacus in writing of the receipt during the Exclusivity Period of any proposal for an Alternative Transaction or any requests for any information relating to Burnstone or its property or assets by any person or entity which has informed Burnstone that such person or entity is considering making, or has made, a proposal for an Alternative Transaction. Burnstone shall be responsible for any breach by its officers, directors, employees, advisors, agents or representatives of any of the provisions of this Section 4.

5. *Loan Agreement*

Abacus and Burnstone (each a "**Party**", and collectively the "**Parties**") acknowledge that effective June 27, 2014, the Parties executed a Loan and Security Agreement (the "**Loan Agreement**"), pursuant to which Abacus advanced $250,000 to Burnstone (the "**Loan**"). The Loan is secured by a first-priority security interest over Burnstone's Tomichi Property (as defined in the Loan Agreement). Interest on the Loan accrues at 8% per annum.

Pursuant to the Loan Agreement, the Loan proceeds are to be used by Burnstone in relation to the Tomichi Property.

6. *Conduct of Business*

Until the Agreement has been duly executed and delivered by Abacus and Burnstone or this Letter Agreement has been terminated in accordance with its terms, except as required by law or as otherwise expressly permitted or specifically contemplated by this Letter Agreement, Burnstone shall:

(i) use reasonable commercial efforts to maintain in force its current policies of insurance and pay all premiums in respect of such insurance policies that become due after the date hereof;

(ii) use commercially reasonable efforts to satisfy (or cause the satisfaction of) by the closing date of the Transaction (the "**Effective Date**") the conditions precedent set out in Schedule "A" and shall not take any action, refrain from taking any action, permit any action to be taken or not taken, inconsistent with this Letter Agreement, which might directly or indirectly interfere or affect the execution of the Agreement or completion of the Transaction;

(iii) conduct its business only in the usual and ordinary course of business and consistent with past practice, and it shall use all commercially reasonable efforts to maintain and preserve its business, assets and advantageous business relationships;

(iv) not engage in any extraordinary material transactions;

(v) make no distributions, dividends or special bonuses and issue no Burnstone Shares (other than in connection with the exercise of the current Warrants or Burnstone Options issued and outstanding as of the Signing Date, or as contemplated in this Letter Agreement) or any other securities convertible into Burnstone Shares;

(vi) not subdivide, consolidate, reclassify any of its shares or reduce their stated capital;

(vii) maintain payables and other liabilities (other than for money borrowed) at levels consistent with past practice;

(viii) not incur or commit to incur any additional indebtedness for borrowed money, other than in the ordinary course of business consistent with past practice and with the prior consent of Abacus, such consent not to be unreasonably withheld;

(ix) not incur capital expenditures in excess of $25,000;

(x) not sell, lease, transfer, mortgage or otherwise dispose of or encumber any of its property or assets, real or personal, or agree to the same; and

(xi) not enter into, amend or terminate any employment, consulting or other agreements, including any arrangements with respect to retention bonuses, with any directors, officers, employees or consultants of Burnstone, or any executive compensation arrangements or benefit plans of Burnstone.

7. *Representations and Warranties*

(a) Abacus represents, warrants and covenants to Burnstone that:

(i) this Letter Agreement has been duly executed and delivered by Abacus and constitutes a legal, valid and binding obligation of Abacus enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights generally, and to general principles of equity;

(ii) Abacus and each of its subsidiaries (collectively, the "**Abacus Group**") is a validly subsisting corporation under the laws of its jurisdiction of incorporation and has the corporate power, authority and capacity, and holds all material titles, licences, contractual interests and permits required for the Abacus Group to own or lease its properties and assets and to carry on its business as now conducted by it except where the failure to hold such licences, contractual interests or permits individually or in the aggregate would not reasonably be expected to have a material adverse effect on the Abacus Group taken as a whole;

(iii) it is a "reporting issuer" only in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland, the Abacus Shares are listed on the TSX Venture Exchange (the "**TSXV**"), and it is not in default of any of its obligations as a reporting issuer or as a TSXV listed issuer;

(iv) it has an authorized share capital consisting of an unlimited number of Abacus Shares, of which 214,157,611 Abacus Shares are issued and outstanding. There are options to acquire 7,860,000 Abacus Shares outstanding. The Abacus Shares referred to in this paragraph are the only issued and outstanding Abacus Shares and, except for the options specified in this paragraph, there are no other securities or agreements which could result in the issuance of Abacus Shares or other securities of Abacus;

(v) neither the execution and delivery of this Letter Agreement by Abacus nor the consummation of the Transaction will conflict with or result in:

    (A) a violation, contravention or breach of any of the terms, conditions or provisions of any agreement or instrument to which any member of the Abacus Group is a party or by which any member of the Abacus Group is bound or constitute a default by any member of the Abacus Group thereunder, or under any statute, regulation, judgment, decree or law to which any member of the Abacus Group is subject or bound, or result in the creation or imposition of any mortgage, lien, charge or encumbrance of any nature whatsoever (collectively, "**Encumbrances**" and, individually, an "**Encumbrance**") upon the assets of any member of the Abacus Group; or

    (B) a violation by any member of the Abacus Group of any law or regulation or any applicable order of any court, arbitrator or governmental authority having jurisdiction over any member of the Abacus Group,

other than any such violations, contraventions, breaches, defaults or Encumbrances that individually or in the aggregate would not reasonably be expected to have a material adverse effect on Abacus on a consolidated basis;

(vi) the data and information in respect of Abacus and its assets, mineral resources, liabilities, business and operations provided, or to be provided, by Abacus or its advisors to Burnstone or its advisors is, and will be, accurate and correct in all material respects as at the date hereof or the date provided and, in respect of any information provided or requested, did not knowingly omit any material data or information necessary to make any data or information provided not misleading in any material respect as at the date hereof. Abacus has no knowledge of any material adverse change to the mineral resources of Abacus from that disclosed in such data and information;

(vii) the information and statements set forth in the information filed by Abacus with any securities commission or similar regulatory authority in compliance, or intended compliance, with applicable securities laws (the "**Abacus Public Record**") as at the date thereof, as it relates to Abacus, were true, correct, and complete and did not contain any misrepresentation, as of the respective dates of such information or statements, and no material change has occurred in relation to Abacus which is not disclosed in the Abacus Public Record, and Abacus has not filed any confidential material change reports which continue to be confidential;

(viii) Abacus' consolidated audited financial statements as at and for the financial year ended December 31, 2013 and the unaudited interim consolidated financial statements for the three months ended March 31, 2014 (together, the "**Abacus Financial Statements**") were prepared in accordance with international financial reporting standards ("**IFRS**") and present fairly in accordance with IFRS the consolidated financial position, results of operations and changes in financial position of Abacus as of the dates thereof and for the periods indicated therein and reflect appropriate and adequate reserves in respect of contingent liabilities, if any, of Abacus on a consolidated basis, and there has been no material change in Abacus' accounting policies or in the financial condition of Abacus since March 31, 2014;

(ix) none of the Abacus Group has any material liabilities of any nature (matured or unmatured, fixed or contingent), other than:

(A) those set forth or adequately provided for in the most recent balance sheet and associated notes thereto included in the Abacus Financial Statements (the "**Abacus Balance Sheet**");

(B) those incurred in the ordinary course of business and not required to be set forth in the Abacus Balance Sheet under IFRS;

(C) those incurred in the ordinary course of business since the date of the Abacus Balance Sheet and consistent with past practice; and

(D) those incurred in connection with the execution of this Letter Agreement; and

(x) to the knowledge of Abacus, Abacus has not withheld from Burnstone any material information or documents concerning the Abacus Group or their respective assets or liabilities during the course of Burnstone's review of Abacus and its assets. No representation or warranty contained herein and no statement contained in any schedule or other disclosure document provided or to be provided to Burnstone by Abacus pursuant hereto contains or will contain an untrue statement of a material fact which is necessary to make the statements herein or therein not misleading.

(b) Burnstone represents, warrants and covenants to Abacus that:

(i) this Letter Agreement has been duly executed and delivered by Burnstone and constitutes a legal, valid and binding obligation of Burnstone enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights generally, and to general principles of equity;

(ii) Burnstone and each of its subsidiaries (collectively, the "**Burnstone Group**") is a validly subsisting corporation under the laws of its jurisdiction of incorporation and has the corporate power, authority and capacity, and holds all material titles, licences, contractual interests and permits required for the Burnstone Group to own or lease its properties and assets and to carry on its business as now conducted by it except where the failure to hold such licences, contractual interests or permits individually or in the aggregate would not reasonably be expected to have a material adverse effect on the Burnstone Group taken as a whole;

(iii) it is a "reporting issuer" only in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario, the Burnstone Shares are listed on the TSXV, and it is not in default of any of its obligations as a reporting issuer or as a TSXV listed issuer;

(iv) neither the execution and delivery of this Letter Agreement by Burnstone nor the consummation of the Transaction will conflict with or result in:

(A) a violation, contravention or breach of any of the terms, conditions or provisions of any agreement or instrument to which any member of the Burnstone Group is a party or by which any member of the Burnstone Group is bound or constitute a default by any member of the Burnstone Group thereunder, or under any statute, regulation, judgment, decree or law to which any member of the Burnstone Group is subject or bound, or result in the creation or imposition of any Encumbrance upon the assets of any member of the Burnstone Group; or

(B) a violation by any member of the Burnstone Group of any law or regulation or any applicable order of any court, arbitrator or governmental authority having jurisdiction over any member of the Burnstone Group,

other than any such violations, contraventions, breaches, defaults or Encumbrances that individually or in the aggregate would not reasonably be expected to have a material adverse effect on Burnstone on a consolidated basis.

(v) it has an authorized share capital consisting of an unlimited number of Burnstone Shares, of which 42,984,776 Burnstone Shares are issued and outstanding. There are Burnstone Options to acquire 4,052,741 Burnstone Shares and Warrants to acquire 3,689,251 Burnstone Shares outstanding. The Burnstone Shares referred to in this paragraph are the only issued and outstanding Burnstone Shares and, except for the Burnstone Options and the Warrants specified in this paragraph, and the Debt Settlement referred to in this Letter Agreement, there are no other securities or agreements which could result in the issuance of Burnstone Shares or other securities of Burnstone;

(vi) the data and information in respect of Burnstone and its assets, mineral resources, liabilities, business and operations provided, or to be provided, by Burnstone or its advisors to Abacus or its advisors is, and will be, accurate and correct in all material respects as at the date hereof or the date provided and, in respect of any information provided or requested, did not knowingly omit any material data or information necessary to make any data or information provided not misleading in any material respect as at the date hereof. Burnstone has no knowledge of any material adverse change to the mineral resources of Burnstone from that disclosed in such data and information;

(vii) the information and statements set forth in the information filed by Burnstone with any securities commission or similar regulatory authority in compliance, or intended compliance, with applicable securities laws (the "**Burnstone Public Record**") as at the date thereof, as it relates to Burnstone, were true, correct, and complete and did not contain any misrepresentation, as of the respective dates of such information or statements, and no material change has occurred in relation to Burnstone which is not disclosed in the Burnstone Public Record, and Abacus has not filed any confidential material change reports which continue to be confidential;

(viii) Burnstone's consolidated audited financial statements as at and for the financial year ended March 31, 2013 and the unaudited interim consolidated financial statements for the nine months ended December 31, 2013 (together, the "**Burnstone Financial Statements**") were prepared in accordance with IFRS and present fairly in accordance with IFRS the consolidated financial position, results of operations and changes in financial position of Burnstone as of the dates thereof and for the periods indicated therein and reflect appropriate and adequate reserves in respect of contingent liabilities, if any, of Burnstone on a consolidated basis, and there has been no material change in Burnstone's accounting policies or in the financial condition of Burnstone since December 31, 2013;

(ix) none of Burnstone Group has any material liabilities of any nature (matured or unmatured, fixed or contingent), other than:

(A) those set forth or adequately provided for in the most recent balance sheet and associated notes thereto included in the Burnstone Financial Statements (the "**Burnstone Balance Sheet**");

(B) those incurred in the ordinary course of business and not required to be set forth in the Burnstone Balance Sheet under IFRS;

(C) those incurred in the ordinary course of business since the date of the Burnstone Balance Sheet and consistent with past practice; and

(D) those incurred in connection with the execution of this Letter Agreement;

(x) other than has been publicly disclosed, there has not occurred any material spills, emissions or pollution on any property of the Burnstone Group, nor have any of the Burnstone Group been subject to any stop orders, control orders, clean up orders or reclamation orders under applicable laws or regulations applicable to the protection of the environment, hazardous substances or public and occupational health and safety (collectively, "**Environmental Laws**"), any of which might reasonably be expected to cause a material adverse change. All operations of the Burnstone Group have been and are now being conducted in compliance with all applicable Environmental Laws, except where the failure to be in compliance would not reasonably be expected to cause a material adverse change. None of the Burnstone Parties is subject to or aware of:

(A) any proceeding, application, order or directive which relates to environmental, health or safety matters, and which may require any material work, repairs, construction, or expenditures; or

(B) any demand or notice with respect to the breach of any Environmental Laws applicable to the Burnstone Group, including, without limitation, any regulations respecting the use, storage, treatment, transportation, or disposition of any hazardous substances, which would reasonably be expected to cause a material adverse change;

(xi) there are no actions, suits or proceedings in existence or pending or, to the knowledge of Burnstone, threatened or for which there is a reasonable basis, affecting or that would reasonably be expected to affect the Burnstone Group or affecting or that would reasonably be expected to affect any of their property or assets at law or equity or before or by any governmental authority which action, suit or proceeding involves a possibility of any judgment against or liability of the Burnstone Group which, if successful, would reasonably be expected to cause a material adverse change, or would significantly impede the ability of the Burnstone Group to consummate the Transaction;

(xii) to the knowledge of Burnstone, Burnstone has not withheld from Abacus any material information or documents concerning the Burnstone Group or their respective assets or liabilities during the course of Abacus' review of Burnstone and its assets. No representation or warranty contained herein and no statement contained in any schedule or other disclosure document provided or to be provided to Abacus by Burnstone pursuant hereto contains or will contain an untrue statement of a material fact which is necessary to make the statements herein or therein not misleading;

(xiii) Burnstone is not subject to any cease trade or other similar order of any applicable stock exchange or securities regulatory authority and, to the knowledge of Burnstone, no investigation or other proceedings involving Burnstone which may operate to prevent or restrict trading of any securities of Burnstone are currently in progress or pending before any applicable stock exchange or securities regulatory authority; and

(xiv) except as disclosed in writing to Abacus, no member of the Burnstone Group is a party to any written employment, consulting or similar agreement or compensation arrangement with any of their respective directors, officers or employees that may require a member of the Burnstone Group to make any payment or incur any liability to any director, officer, employee, consultant or contractor in connection with or as a result of the Transaction.

8. *Publicity*

Abacus and Burnstone shall each publicly announce the Transaction contemplated hereby promptly following the execution of this Letter Agreement by Abacus and Burnstone, the text and timing of each Party's announcement to be approved by the other Party in advance, acting reasonably. Abacus and Burnstone agree to co-operate in the preparation of presentations, if any, to Abacus securityholders or Burnstone securityholders regarding the Transaction contemplated by the Agreement. No Party shall issue any press release or otherwise make public announcements with respect to the Transaction without the consent of the other Party (which consent shall not be unreasonably withheld or delayed). To the extent possible, each Party shall provide prior notice to the other Party of any material public disclosure that it proposes to make regarding its business or operations, together with a draft copy of such disclosure. Such other Party and its legal counsel shall be given a reasonable opportunity to review and comment on such information prior to such information being disseminated publicly, and reasonable consideration shall be given to any comments made by such other Party and its counsel.

9. *Costs*

All costs and expenses including legal fees and disbursements incurred in connection with the negotiation and preparation of this Letter Agreement, the Agreement, and the consummation of Transaction contemplated hereby, and thereby shall be borne by the Party that incurred same.

10. *Due Diligence and Access*

Upon execution of this Letter Agreement, Abacus will commence its confirmatory due diligence investigation of Burnstone. Burnstone shall provide to Abacus and its representatives and advisors complete access to Burnstone's facilities, technology, books and records and shall cause Burnstone's employees, accountants, and other representatives to cooperate fully with Abacus in connection with Abacus' due diligence investigation.

Any investigation made by a Party and its advisors will not mitigate, diminish or affect the representations and warranties made to such Party by the other Party hereto.

11. *Termination*

Notwithstanding any other provision in this Letter Agreement, this Letter Agreement may be terminated by Abacus at any time up until 5:00 p.m. (Vancouver time) on August 14, 2014 if it is not satisfied, in its sole discretion, with the results of its confirmatory due diligence investigation of Burnstone and its assets.

12. *Break Fees*

The Agreement shall provide that:

(a) Abacus will pay Burnstone $100,000 (the "**Break Fee**") within 5 business days of any termination of the Agreement by Abacus, except where the termination is a result of (i) an event of default caused by Burnstone; (ii) regulatory approval not being granted (other than due to the fault of Abacus); or (iii) shareholder approval of Abacus in favour of the Transaction not being reached (other than due to the fault of Abacus); and

(b) Burnstone will pay Abacus $100,000 (the "**Reverse Break Fee**") within 5 business days of any termination of the Agreement by Burnstone, except where the termination is a result of (i) an event of default caused by Abacus; (ii) regulatory approval not being granted (other than due to the fault of Burnstone); (iii) shareholder approval of Burnstone in favour of the Transaction not being reached (other than due to the fault of Burnstone); (iv) dissent rights in respect of the Transaction being exercised by shareholders holding more than 5% of Burnstone Shares; or (v) failure to receive all necessary third party consents or approvals (other than due to the fault of Burnstone).

For greater certainty, a break fee will not be payable by Abacus should it terminate this Letter Agreement in accordance with Section 11 hereof.

13. *Notice*

Any notice or other communication required or contemplated under this Letter Agreement to be given by one Party to the other shall be delivered, faxed or mailed by prepaid registered post to the Party to receive same at the undernoted address, namely:

if to Burnstone:

Board of Directors of Burnstone Ventures Inc.
Suite 615 - 800 West Pender Street

Vancouver, BC V6C 2V6
Attention: President and CEO
Fax Number: (604) 687-3141

if to Abacus:

Board of Directors of Abacus Mining & Exploration Corporation
6th Floor, 800 West Pender Street
Vancouver, BC V6C 2V6
Attention: President and CEO
Fax Number: (604) 682-0307

Any notice delivered or faxed shall be deemed to have been given and received on the business day next following the date of delivery or faxing, as the case may be. Any notice mailed as aforesaid shall be deemed to have been given and received on the third business day following the date it is posted, provided that if between the time of mailing and actual receipt of the notice there shall be a mail strike, slow down or other labour dispute which might affect delivery of the notice by mail, then the notice shall be effective only if actually delivered.

14. *Governing Law*

This Letter Agreement and the Agreement shall be governed by and constructed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

15. *Counterparts*

This Letter Agreement may be executed in one or more counterparts, each of which will be deemed to be an original, but all of which will constitute one and the same instrument.

16. *Currency*

All monetary references herein shall be to the currency of Canada.

17. *Acceptance*

If you accept and agree with the terms and conditions of this Letter Agreement, please indicate your acceptance by signing this letter where indicated below and returning a copy thereof to the undersigned as soon as possible.

Yours truly,

Michael McInnis
President and Chief Executive Officer

The foregoing accurately reflects the terms of our agreement on this matter, which we hereby accept and the undersigned agrees to be legally bound hereby.

ACCEPTED this 30th day of July, 2014.

BURNSTONE VENTURES INC.

By: ____________________

Name: DOUG FULCHER

Title: PRESIDENT

SCHEDULE "A"

TERMS OF THE ARRANGEMENT AGREEMENT

Transaction	Abacus and/or a designated affiliate or subsidiary of Abacus (collectively "**Abacus**") will acquire all of the issued and outstanding securities of Burnstone by way of a statutory court-approved plan of arrangement (the "**Transaction**").
Arrangement Agreement	The terms and conditions of the Transaction will be more particularly set out in a definitive arrangement agreement to be entered between Abacus and Burnstone ("**Agreement**"). The Agreement is intended to be of the type and contain covenants, representations and warranties, indemnities, and other terms and conditions typical of a transaction of the nature and size of the Transaction, including the payment of customary break fees.
Offer Price	Under the Agreement, each common share of Burnstone (a "**Burnstone Share**") will be exchanged for 0.43 (the "**Exchange Ratio**") of an Abacus common share (an "**Abacus Share**"). Certain creditors of Burnstone have agreed to take Burnstone Shares in full settlement of their respective debt, at a deemed price of $0.05 per Burnstone Share (the "**Debt Settlement**"), which would then be exchanged pursuant to the Transaction for Abacus Shares at the same Exchange Ratio. It is expected that approximately 4,026,095 Abacus Shares will be issued in connection with the Debt Settlement. Including the Abacus Shares to be issued on the Debt Settlement, it is expected that approximately 23 million Abacus Shares will be issued in connection with the Transaction.
Options and Warrants	All stock options of Burnstone ("**Burnstone Options**") will be cancelled on closing of the Transaction. Abacus will assume all current common share purchase warrants of Burnstone (the "**Warrants**"), which will be adjusted upon closing of the Transaction on the basis of the Exchange Ratio. Currently, Burnstone has issued and outstanding 630,500 Warrants expiring on November 30, 2014 with an exercise price of $0.10, and 3,058,751 Warrants expiring on January 21, 2015 with an exercise price of $0.25.
Principal Conditions	The Agreement will contain customary closing conditions in favour of Abacus typical of a transaction the nature and size of the Transaction, and, without limiting the foregoing, will contain the following conditions in favour of Abacus: a) shareholder approval of each of Abacus and Burnstone in favour of the Transaction; b) Court approval of the Transaction;

c) there will not have been exercised (and not withdrawn) dissent rights in respect of the Transaction by shareholders holding more than 5% of the Burnstone Shares;

d) there will have been no material adverse change to the business or affairs of Burnstone;

e) receipt of all necessary approvals, authorizations, consents, qualifications or registrations from applicable governmental or regulatory authorities, including the approval of the TSX Venture Exchange;

f) receipt of all necessary third party consents or approvals;

g) the Debt Settlement shall have been completed;

h) Burnstone will have tendered resignations and releases of all directors and officers of Burnstone and its subsidiaries;

i) Burnstone shall have complied in all material respects with its covenants contained in the Agreement;

j) the meeting of the Burnstone shareholders to approve the Transaction shall be held on or before September 30, 2014; and

k) the Burnstone Options shall have been cancelled.

Board Composition

Upon closing of the Transaction, one of the current directors of Burnstone, Gordon Keevil, will be appointed to the board of directors of Abacus.