OPTION AGREEMENT

SÃO JORGE GOLD PROJECT

BRAZIL

June 14, 2010

OPTION AGREEMENT

THIS OPTION AGREEMENT (the "**Agreement**") is dated June 14, 2010 among:

(i) **BRAZILIAN GOLD CORPORATION** ("**BGC**"), a company organized and existing under the laws of British Columbia,

(ii) **CABRAL RESOURCES (B.V.I.) LIMITED**. ("**Cabral**" and together with BGC hereinafter referred to as "**Purchasers**"), a company organized and existing under the laws of British Virgin Islands,

(iii) **TALON METALS CORP**. ("**Seller**"), a company organized and existing under the laws of the British Virgin Islands,

(iv) **SEATRAIN HOLDINGS LIMITED** ("**Holdco**"), a company organized and existing under the laws of the British Virgin Islands, and

(v) **BRAZILIAN RESOURCES MINERAÇÃO LTDA**. ("**BRM**"), a company organized and existing under the laws of Brazil.

PRELIMINARY STATEMENTS

WHEREAS Seller is, as of the date hereof, the legal and beneficial holder of all of the issued and outstanding shares of Holdco, a company incorporated under the laws of the British Virgin Islands;

AND WHEREAS, on or before the Initial Closing Date (as defined herein), Holdco will be the legal and beneficial owner of 299,999 of the issued and outstanding quotas of BRM, a company whose sole asset will be the Mineral Rights, and Seller, as at the date hereof, is the legal and beneficial owner of one (1) issued and outstanding quota of BRM, free and clear of any and all Encumbrances;

AND WHEREAS, on or before the Initial Closing Date (as defined herein), BRM will hold 100% of the Mineral Rights located in the Tapajos Gold Province, in the State of Pará, Brazil;

AND WHEREAS Seller has agreed to grant Cabral the exclusive right to conduct exploration activities on the Properties underlying the Mineral Rights and an Option to acquire 100% of the issued and outstanding shares in the capital of Holdco and the one (1) quota owned by Seller in BRM, according to the terms and conditions set forth in this Agreement;

AND WHEREAS the Parties are entering into this Agreement for the purpose of setting forth the terms of the exercise of the Option, the Right to Explore, the acquisition of the Option Shares and the Option Interest, and other matters related thereto.

NOW THEREFORE in consideration of the covenants and the mutual agreements contained in this Agreement and other valuable consideration (the receipt and sufficiency of which are acknowledged by each Party), the Parties hereby agree as follows:

1. DEFINITIONS AND PRINCIPLES OF INTERPRETATION

1.1 Definitions

(a) "**Affiliate**" means, with respect to any specified Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such specified Person, where "**control**" means the possession, directly or indirectly, of the power to direct the management and policies of a Person through the legal or beneficial ownership of voting securities, the right to appoint directors or management, by contract, voting trust, or otherwise; and the terms "**controlling**" and "**controlled**" have meanings correlative to the foregoing;

(b) "**Agreement**" means this agreement, including all schedules, and all written amendments or restatements as agreed by the Parties;

(c) "**Applicable Laws**" means at any time, in respect of any Person, property, transaction, event or other matter, as applicable, all then current laws, rules, statutes, regulations, treaties, orders, judgements and decrees and all official directives, rules, guidelines, orders, policies, decisions and other requirements of any Governmental Authority (whether or not having the force of law) (collectively the "**Law**") relating or applicable to such Person, property, transaction, event or other matter and shall also include any interpretation of the Law by any Person having jurisdiction or charged with its administration or interpretation;

(d) "**Applications**" means applications for exploration authorizations relating to certain mineral rights in Brazil as described in Schedule "A" – Mineral Rights and Properties and identified in Schedule "B" - Mineral Rights and Properties Location Map;

(e) "**BGC Shares**" means common shares in the capital of BGC;

(f) "**Business Day**" means any day of the year, other than Saturday, Sunday or any statutory holiday in Rio de Janeiro, Brazil, Road Town, British Virgin Islands, or Toronto, Canada;

(g) "**Dispute**" has the meaning set out in Section 9.2;

(h) "**DNPM**" means the National Department of Mineral Production (Brazil);

(i) "**Encumbrance**" means any mortgage, charge, pledge, royalty, overriding royalty interest, other payment out of production, lien, hypothec, claim, other encumbrance or security interest of any kind, option to acquire or sell, restriction, off-take agreement, right of first refusal, right of acquisition, right of pre-emption, third party right or interest, trust, or other type of preferential arrangement or another type of agreement or arrangement having similar effect;

(j) "**Environmental Damage**" has the meaning given to it in Section 5.1(f);

(k) "**Environmental Laws**" means all Laws, rules, regulations, by-laws, ordinances, orders, proclamations and other enforceable requirements issued by Governmental Authorities aimed at reclamation or restoration of the Properties; abatement of pollution; protection of the environment; protection of wildlife, including endangered species; ensuring public safety from environmental hazards; protection of cultural or historic resources; management, storage or control of hazardous materials and substances; releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances as wastes into the environment, including without limitation, ambient air, surface water and groundwater; and all other Laws relating to the manufacturing, processing, distribution, use, treatment, storage, disposal, handling or transport of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes;

(l) "**Environmental Liabilities**" means any and all claims, actions, causes of action, damages, losses, liabilities, obligations, penalties, judgments, amounts paid in settlement, assessments, costs, disbursements, or expenses (including reasonable attorneys', experts' and consultants' fees and costs) of any kind or of any nature whatsoever that are asserted against either Party, by any person or entity other than the other Party, alleging liability (including, without limitation, liability for all studies, testing, investigatory, cleanup, response, removal, remediation, containment, restoration, corrective action, closure and reclamation costs, natural resource damages, property damages, business losses, personal injuries, penalties or fines) arising out of, based on or resulting from (i) the presence, release, threatened release, discharge or emission into the environment of any hazardous materials or substances existing or arising on, beneath or above the Properties and/or emanating or migrating and/or threatening to emanate or migrate from the Properties to off-site properties; (ii) physical disturbance of the environment; or (iii) the violation or alleged violation of any Environmental Laws;

(m) "**Exploration Activities**" means such activities permitted to be carried out on the Properties in accordance with the terms of the Exploration Authorizations;

(n) "**Exploration Authorizations**" means the exploration authorizations set out in Schedule "A" – Mineral Rights and Properties and identified in Schedule "B" - Mineral Rights and Properties Location Map;

(o) "**Final Closing Date**" has the meaning set out in Section 3.1;

(p) "**FM Date**" has the meaning set out in Section 9.10;

(q) "**Governmental Authority**" means any government, state, municipal, or any local or other authority or body and any ministry or governmental, quasi-governmental or other regulatory department, body, instrumentality or agency which has the authority or power to grant, permit, issue or authorise any activity, license, permit, consent or authority within a given jurisdiction in connection with

(i) the Exploration Authorizations, the Applications and/or the exploration, development and/or exploitation of the minerals contained in, on or under the lands subject to the Mineral Rights or (ii) the formation of or carrying on of business by any of the Parties;

(r) "**Initial Closing Date**" has the meaning set out in Section 2.4;

(s) "**Initial Payment**" has the meaning set out in Section 2.3;

(t) "**Mineral Rights**" means the Exploration Authorizations and the Applications set out in Schedule "A" – Mineral Rights and Properties and identified in Schedule "B" – Mineral Rights and Properties Location Map;

(u) "**Option**" has the meaning set out in Section 2.2;

(v) "**Option Interest**" means the one (1) quota of BRM held by Seller, representing a 0.1% interest in all of the issued and outstanding quotas of BRM;

(w) "**Option Period**" means the period starting on the Initial Closing Date and ending on the earlier of a Termination and the Final Closing Date;

(x) "**Option Price**" has the meaning set out in Section 2.3;

(y) "**Option Shares**" means one-hundred (100) common shares in the capital of Holdco, representing all of its issued and outstanding common shares;

(z) "**Party**" means a party hereto and "**Parties**" means all parties hereto;

(aa) "**Person**" as used herein shall be interpreted very broadly and shall include, without limitation, any corporation, partnership or individual;

(bb) "**Properties**" means any and all surface and property rights to the areas underlying the Exploration Authorizations and Application, as duly described in Schedule "A" Mineral Rights and Properties and identified in Schedule "B" Mineral Rights and Properties Location Map;

(cc) "**Relevant Documents**" means all documents which relate to the Mineral Rights or Properties as set out in Schedule "D" – Relevant Documents;

(dd) "**Right to Explore**" has the meaning set out in Section 2.1;

(ee) "**Royalty Agreement**" means the royalty agreement attached hereto as Schedule "C" – Royalty Agreement;

(ff) "**Termination**" has the meaning set out in Section 8.1;

(gg) "**Title Deficiency**" means the possibility of Exploration Authorization 850.024/2002 being nullified by the DNPM;

(hh) **"Tranche 1 Shares"** means such number of BGC Shares equal to $500,000 divided by the VWAP;

(ii) **"Tranche 2 Shares"** means such number of BGC Shares equal to $1,000,000 divided by the VWAP;

(jj) **"Tranche 3 Shares"** means such number of BGC Shares equal to $750,000 divided by the VWAP;

(kk) **"Transfer"** means, directly or indirectly, in total or in part, to sell, grant, assign, create an Encumbrance over, declare oneself a trustee of or a party with the benefit of, arrange for substitute performance by an Affiliate or third party, pledge, sublet, sublease, or otherwise convey, commit or dispose of and the word used as a noun shall have a corresponding meaning;

(ll) **"TSX"** means the Toronto Stock Exchange;

(mm) **"TSX-V"** means the Toronto Stock Exchange's Venture Exchange; and

(nn) **"VWAP"** means the twenty (20) day volume-weighted average trading price (expressed in Canadian Dollars) of BGC Shares on the TSX-V or, if BGC Shares are not then listed or quoted on the TSX-V, such other exchange on which BGC Shares may be listed or quoted with the highest daily volume closing during the preceding thirty (30) days and calculated according to the criteria set forth above, calculated on the Business Day immediately prior to the applicable date of issuance of BGC Shares to Seller.

1.2 Certain Rules of Interpretation

In this Agreement:

(a) Consent. Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit, then, unless otherwise specified, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

(b) Including. Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation".

(c) No Strict Construction. The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

(d) Number and Gender. Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

(e) Section References and Headings. References to "Article" or "Section" herein mean the specified Article or Section of this Agreement. The captions and headings of this Agreement are for convenience only and do not affect, limit or amplify the provisions hereof.

(f) Statutory References. A reference to a statute includes all regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation which amends, supplements or supersedes any such statute or any such regulation.

(g) Time. Time is of the essence in the performance of the Parties' respective obligations.

(h) Time Periods. Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day if the last day of the period is not a Business Day.

1.3 Knowledge

Any reference to "knowledge" of any Party shall mean to the best of the knowledge, information and belief of such Party after reviewing all relevant records and making reasonable inquiries regarding the relevant matter with all relevant directors, officers or employees of the Party.

1.4 Entire Agreement

This Agreement and any agreements or other documents required to be delivered pursuant to this Agreement constitute and set out the entire agreement among the Parties in connection with the transactions contemplated herein and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, among the Parties. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, oral or written, express, implied or collateral among the Parties in connection with the subject matter of this Agreement except as specifically set forth herein and any document required to be delivered hereunder.

1.5 Schedules

The schedules to this Agreement, as listed below, are an integral part of this Agreement:

Schedule	**Description**
A	Mineral Rights and Properties
B	Mineral Rights and Properties Location Map
C	Royalty Agreement
D	Relevant Documents

2. GRANT OF RIGHT TO EXPLORE AND OPTION

2.1 Right to Explore

Subject to the terms and conditions set forth in this Agreement and in consideration of the payment by Cabral to BRM of the amount of $1.00, BRM hereby grants to Cabral during the Option Period (and not before) the sole, exclusive and immediate right and authorization to enter upon the Properties for the purpose of conducting Exploration Activities (the "**Right to Explore**"). Following the date hereof and prior to commencement of the Option Period, BRM shall permit Cabral to re-log and/or re-assay core samples which BRM shall provide to Cabral and BRM shall further grant Cabral the right and authorization to enter upon the Properties at its sole risk and cost for the sole purpose thereof in accordance with procedures established by BRM for such purpose.

2.2 Option

In consideration of the performance by Purchasers of their respective obligations hereunder, Seller hereby grants to Cabral the exclusive right to purchase 100% of the Option Shares and the Option Interest, free and clear of all Encumbrances, (the "**Option**"), which Option may only be exercised during the Option Period.

2.3 Option Price

As consideration for the Option granted to Purchasers by Seller under this Agreement, Purchasers agree to pay Seller the purchase price, representing an aggregate amount of $4,500,000.00 (the "**Option Price**"), which shall be paid and satisfied by BGC, on behalf of both Purchasers, to Seller as follows:

(a) on the Initial Closing Date (as defined below), paying $1,000,000 in cash and issuing the Tranche 1 Shares (collectively, the "**Initial Payment**");

(b) no later than the date which is 270 days following the Initial Closing Date, paying $500,000 in cash and issuing the Tranche 2 Shares (collectively, the "**Second Payment**"); and

(c) no later than the date which is 540 days following the Initial Closing Date, paying $750,000 in cash and issuing the Tranche 3 Shares (collectively, the "**Final Payment**").

2.4 Initial Closing

The Initial Payment shall be due five (5) Business Days after satisfaction of each of the following conditions (the "Initial Closing Date"), which the Parties shall endeavour to satisfy on or before August 31, 2010:

(a) receipt by BGC of TSX-V approval to issue all BGC Shares hereunder, of which BGC shall promptly notify Seller, on or before August 31, 2010 or by such other date as mutually agreed by BGC and Seller;

(b) receipt by Seller of approval of the transactions contemplated by this Agreement by:

(i) Seller's shareholders, at a shareholder's meeting proposed to be held following the date hereof; and

(ii) the TSX,

of which Seller shall promptly notify BGC, on behalf of both Purchasers; and

(c) a copy of the amendment to the corporate charter of BRM, as registered with and approved by the Commercial Registry of the State where the head office of BRM is located, showing the transfer of 299,999 of the issued and outstanding quotas of BRM to Holdco.

2.5 **Form of Payments**

Unless otherwise specified herein, cash payments hereunder shall be made by wire transfer of immediately available Canadian funds to the account of Seller, as instructed by Seller to BGC in writing. BGC Shares shall be deemed to have been issued to Seller upon actual delivery by BGC to Seller, at Seller's address set out below, of share certificates registered in the name of Seller for the applicable number of BGC Shares as required hereunder from time to time.

2.6 **Accelerated Payment Permitted**

Purchasers shall be entitled to fulfill any or all of the payment or share issuance obligations under this Section 2 at any time prior to the dates specified herein.

3. FINAL CLOSING

3.1 Unless a Termination has previously occurred, and assuming the Second Payment has also previously been made, within thirty (30) days following the date on which BGC makes the Final Payment to Seller (on behalf of both Purchasers), or such other date as the Parties otherwise agree, acting reasonably, (such date being the "**Final Closing Date**"):

(a) Seller shall deliver to BGC (or to such party as BGC may otherwise direct):

(i) 100% of the Option Shares;

(ii) 100% of the Option Interest;

(iii) an executed counterpart of the Royalty Agreement;

(iv) any consents or approvals required under Applicable Laws in order to consummate the transfer of the Option Shares and the Option Interest; and

(v) all other documents, instruments and agreements requested by Purchasers or its counsel as reasonably necessary or appropriate in order to give effect to the transactions contemplated herein;

(b) Purchasers shall deliver to Seller:

(i) a counterpart of the Royalty Agreement executed by BGC; and

(ii) all other documents, instruments and agreements requested by Seller or its counsel as reasonably necessary or appropriate in order to give effect to the transactions contemplated herein.

Each of Seller and Purchasers agrees that it shall procure any other Person to execute and deliver, if required, to each of the Parties, as applicable, any other document, instrument or agreement requested by a Party or its counsel as reasonably necessary or appropriate in order to give effect to the transactions contemplated herein.

4. PERMITTED ACTIVITIES

4.1 Permitted Activities

Subject to the other terms hereof, from and after the Initial Closing Date (and not before) to the earlier to occur of Termination (subject to the provisions of Section 4.7) and the Final Closing Date, each of Purchasers, and their respective duly authorized representatives, at their own risk and expense and in compliance with all Applicable Laws, including those governing safety, pollution and environmental matters, shall be entitled to:

(a) access the Properties at all times and without disturbance,

(b) carry out Exploration Activities on the Properties;

(c) undertake tests on the Properties as it may require; and

(d) remove reasonable quantities of ore and rock from the Properties for the purposes of bulk sampling and testing.

4.2 Liabilities of Purchasers

Each of Seller, Holdco and BRM shall have no obligation or liability in connection with:

(a) any Exploration Activities and other activities of Purchasers carried out hereunder, including any amounts owed to any Person relating to, in respect of or in connection with such activities, or any other fees, costs or other expenses ancillary thereto, or

(b) the Mineral Rights or the Properties (including without limitation any Good Standing Fees, as defined below) or any other fees, costs or other expenses ancillary thereto, prior to a Termination.

4.3 Liabilities of Seller

Each of Purchasers shall have no obligation or liability in connection with:

(a) any Exploration Activities and other activities of Seller, Holdco and BRM, as the case may be, carried out on the Properties and/or in connection with the Mineral Rights prior to the Initial Closing Date, including any amounts owed to any Person relating to, in respect of or in connection with such activities, or any other fees, costs or other expenses ancillary thereto, or

(b) the Mineral Rights or the Properties (including without limitation any Good Standing Fees, as defined below) or any other fees, costs or other expenses ancillary thereto, relating to and in respect of any period prior to the Initial Closing Date.

4.4 Obligation to Pay Fees

Purchasers shall be required to pay all annual, renewal or other fees (**"Good Standing Fees"**) and to take such other steps or do such other things in order to maintain the Properties and the Mineral Rights in good standing with any applicable Governmental Authority from and after the Initial Closing Date, including all fees and expenses (including any local agents' or advisors' fees) related to maintaining each of Holdco and BRM in compliance with Applicable Laws and in good standing with relevant Governmental Authorities in each relevant jurisdiction, including its jurisdiction of organization. Purchasers shall provide satisfactory evidence to Seller of the payment of all Good Standing Fees no later than forty-five (45) days prior to the due date(s) thereof. Purchasers agree to reimburse Seller for any fees or expenses in respect of the Mineral Rights or the Properties that Seller has pre-paid for any period on or following the Initial Closing Date.

4.5 Cooperation

(a) Seller, Holdco and BRM shall cooperate with and assist Purchasers by providing access to any relevant information which Seller, Holdco or BRM may have in its possession relating to the Mineral Rights and the Properties.

(b) Seller and Holdco shall cause the designated applicant to transfer to BRM, subject to any required regulatory approvals applicable in Brazil, any exploration authorization granted pursuant to or resulting from any Application immediately after such grant.

4.6 Seller Access and Audits

Purchasers and its Affiliates shall cooperate with Seller and its Affiliates by providing access to, and Seller shall have the right to conduct audits in respect of, any and all books, records, reports, information and data, whether financial, geological or otherwise, whether prepared or obtained internally by or from contractors or consultants, relating to the Exploration Authorizations, the Applications and any other activities being carried out on or in respect of the Properties upon five (5) days' prior written notice by Seller to Purchasers.

4.7 Purchasers' Obligations upon Termination

Upon a Termination, each of Purchasers and its Affiliates (and each of their respective representatives) shall:

(a) vacate the lands on which it was carrying out any activities permitted hereunder (which shall include removing all equipment, supplies and related items as well as any waste generated thereby) within sixty (60) days of the date of the Termination, shall restore the Properties to the state they were in previously (as much as reasonably possible) in keeping with prudent mining practices and in compliance with all Applicable Laws (including Environmental Laws), and shall provide a detailed report to Seller as soon as possible thereafter of all results of prospecting or exploration activities up to the date of Termination;

(b) terminate, or cause to be terminated, all agreements or arrangements entered into (other than the Exploration Authorizations and the Applications) relating to the Properties or which may affect Seller, Holdco or BRM, effective as of the date of such Termination, and shall indemnify Seller, Holdco and BRM, and each of their respective directors, officers, employees, Affiliates, representatives, consultants and agents, against any and all liabilities arising therefrom or relating thereto; and

(c) ensure that each of Holdco, BRM and the Properties shall have no claims or Encumbrances against it, them or any of its assets, as applicable, as at the date of Termination (other than those that were in existence on the date hereof).

5. REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of Seller, Holdco and BRM

Subject to Section 5.3 and the terms of and any other information contained in or referred to by the documents set out in <u>Schedule "D" – Relevant Documents</u>, attached hereto, each of Seller, Holdco and BRM represents and warrants in favour of Purchasers that, at the date hereof:

(a) save and except for the Title Deficiency, the Mineral Rights:

(i) are, in the case of the Exploration Authorizations, held as described in <u>Schedule "A" – Mineral Rights and Properties</u>, free and clear of all Encumbrances;

(ii) have been, in the case of the Exploration Authorizations, to its knowledge, properly issued;

(iii) are valid, in good standing and enforceable in accordance with their respective terms;

(iv) are free and clear from all Encumbrances, and/or other interests of whatsoever nature or kind, recorded or unrecorded;

(v) the information set forth in Schedule "A" – Mineral Rights and Properties, Schedule "B" – Mineral Rights and Properties Location Map and in the documents listed in Schedule "D" – Relevant Documents are true, complete and correct, and accurately depicts and describes the information therein, including geographic location, Minerals Rights identification, registered holder, approximate area covered, date granted (as applicable) and date of expiry (as applicable);

(vi) with respect to those Minerals Rights with respect to which Seller, Holdco and/or BRM, as the case may be, has filed exploration reports, such reports were filed within the legal deadline and have all required information; and

(vii) except as otherwise disclosed in Schedule "A" – Mineral Rights and Properties and in the documents listed in Schedule "D" – Relevant Documents, there are no disputes now existing, or as far as it is aware threatened, as to title to, any applications in relation to, or the recording of the Mineral Rights or the Properties;

(b) according to the documentation filed by BRM with the DNPM in connection with the area covered by Exploration Authorization 850.024/2002, if the event Exploration Authorization 850.024/2002 is nullified by the DNPM as contemplated by the Title Deficiency, BRM understands it has the right to be issued a new exploration authorization from the DNPM covering the same area as that covered by Exploration Authorization 850.024/2002 in priority to any other existing applicant;

(c) all municipal, provincial, state, territorial and federal taxes and levies of any kind whatsoever in respect of BRM, and the ownership and use of all of the Mineral Rights and Properties which were due and payable by BRM as at the date of this Agreement or prior to such date, have been paid and satisfied as of such date;

(d) to each of their knowledge, there is no proposal to revoke, suspend or modify any authorisation under any Environmental Laws relating specifically to the Mineral Rights and/or the Properties;

(e) there are currently no litigation or arbitration proceedings underway in respect of BRM, the Mineral Rights and/or the Properties arising out of claims for personal injuries or property damage of a material nature relating thereto;

(f) to each of their knowledge, there have been no violations by any of them of any Environmental Laws affecting or pertaining to the Mineral Rights and/or the Properties in any material respect, nor any creation of damage to the air, soil, surface waters, groundwater, flora, fauna, or other natural resources on the Properties (**"Environmental Damage"**); and each of them has not received inquiry from or notice of a pending investigation from any Governmental

Authority or of any administrative or judicial proceeding concerning the violation of any Environmental Laws;

(g) to each of their knowledge, there are no claims, actions or rights of third parties and no contractual, environmental or legal restrictions that prevent or could prevent Seller, Holdco or BRM from executing, delivering and performing its obligations hereunder;

(h) except as otherwise disclosed in this Agreement and/or in the documents listed in Schedule "D" – Relevant Documents, there are no records of existence of action, claims, arbitration or any other proceeding, of any nature including administrative, regulatory, judicial or arbitral in course or threatened against BRM, Holdco and/or Seller, involving civil, environmental, commercial, labour, social security, fiscal or any other nature, in connection or affecting the whole or any part of the Mineral Rights, the Properties or BRM;

(i) there is no contract, option or any other right of another Person binding upon, or which at any time in the future may become binding upon, Seller, Holdco or BRM to Transfer or grant or create an Encumbrance upon, or which may create an Encumbrance upon, all or any of the Exploration Authorizations, other than pursuant to the provisions hereof;

(j) all information contained in this Agreement and in the documents listed in Schedule "D" – Relevant Documents and otherwise all information provided to Purchasers and their consultants prior to or during the preparation and negotiation of this Agreement with respect to the Mineral Rights, the Properties and/or BRM, Seller and Holdco or otherwise with respect to the transaction contemplated hereby is complete and correct in all material respects, not misleading in any material respect, and accurately depicts and describes the information therein, and each of Seller, Holdco and BRM is not aware of any material fact or circumstance relating to the Exploration Authorizations or the Properties that has not been disclosed to Purchasers in writing (or is not otherwise publicly available information) of which Purchasers would reasonably expect to be advised by a seller under circumstances similar to those relating to the transaction contemplated herein;

(k) none of Seller, Holdco or BRM is party to or bound by any agreement in respect of any of the issued shares of Holdco or BRM which affects or could affect ownership of or interests in any of the Mineral Rights and Properties as contemplated hereunder;

(l) none of Seller, Holdco or BRM is subject to, or a party to, any charter or by-law restriction, any law, any claim, any contract or instrument, any Encumbrance or any other restriction of any kind or character which would prevent consummation of the transactions contemplated by this Agreement;

(m) the authorized capital of Holdco consists of 50,000 common shares of US$1.00 each, of which, at the date hereof, 100 common shares have been duly issued and are outstanding as fully-paid and non-assessable and of which 100 common shares are owned by Seller, free and clear of any and all Encumbrances;

(n) the authorized capital of BRM consists of 300,000 quotas, of which, at the date hereof, one (1) quota has been duly issued to Seller and is outstanding as fully-paid and non-assessable, free and clear of any and all Encumbrances, and of which, on or before the Initial Closing Date, 299,999 quotas will be duly issued to Holdco and will be outstanding as fully-paid and non-assessable, free and clear of any and all Encumbrances;

(o) Seller is the registered and beneficial holder of the Option Shares and the Option Interest with good and marketable title thereto, free and clear of any and all Encumbrances. Seller has the exclusive right to dispose of the Option Shares and Option Interest. No Person, other than Purchasers, has any agreement, option, right or privilege capable of becoming an agreement for the purchase from Seller of any of the Option Shares or the Option Interest;

(p) neither Seller, Holdco nor BRM has made any assignment for the benefit of its creditors nor has any receiving order been made against it under applicable bankruptcy legislation or similar laws of any other jurisdiction, nor has any petition for such an order been served upon it, nor has it attempted to take the benefit of any legislation with respect to financially distressed debtors;

(q) each of Seller, Holdco and BRM:

   (i) is validly organized and existing under the laws of its jurisdiction of organization;

   (ii) has full legal and corporate capacity, authority and power, in terms of all corporate, statutory or regulatory rules and laws applicable to it, to enter into this Agreement and to perform its obligations hereunder, and

   (iii) subject to Seller's satisfaction of the condition described in Section 2.4(b) and Section 2.4(c), has obtained all necessary authorizations for the execution, delivery and performance of this Agreement and such execution, delivery, performance and consummation of the transactions herein contemplated will not conflict with or result in any breach of any covenants or agreements contained in, or constitute a default under, or result in the creation of any Encumbrance under the provisions of its memorandum and articles and/or constitution, or any shareholders' or directors' resolution or any deed, agreement or instrument whatsoever to which it is a party or by which it is bound; and

(r) this Agreement is a legal, valid and binding obligation upon Seller, Holdco and BRM, and is enforceable against each of them in accordance with its terms and for the specific purposes recorded herein.

5.2 **Representations and Warranties of Purchasers**

Each of Purchasers hereby represents and warrants in favour of Seller, as at the date hereof and on each date on which it issues BGC Shares in accordance with Section 2.3, that:

(a) it is validly organized and existing under the laws of its jurisdiction of organization;

(b) it has full legal and corporate capacity, authority and power, in terms of all corporate, statutory or regulatory rules and laws applicable to it, to enter into this Agreement and to perform its obligations hereunder;

(c) this Agreement is a legal, valid and binding obligation upon it, and is enforceable against it in accordance with its terms and for the specific purposes recorded herein;

(d) subject to BGC's satisfaction of the condition described in Section 2.4(a), it has obtained all necessary authorizations for the execution, delivery and performance of this Agreement and such execution, delivery, performance and consummation of the transactions herein contemplated will not conflict with or result in any breach of any covenants or agreements contained in, or constitute a default under, or result in the creation of any Encumbrance under the provisions of its constating documents, or any shareholders' or directors' resolution or any deed, agreement or instrument whatsoever to which it is a party or by which it is bound;

(e) BGC is a "reporting issuer" (as defined under the *Securities Act* (Ontario)) in the Provinces of British Columbia, Alberta and Ontario and is not included in the list of defaulting reporting issuers maintained by the Ontario Securities Commission;

(f) the currently outstanding common shares of BGC are listed on the TSX-V and BGC is in compliance with its rules and regulations;

(g) no order to cease or suspend trading of any securities of BGC or prohibiting the issue, sale and delivery (as applicable) of the BGC Shares has been issued by any stock exchange or securities commission in Canada and is continuing in effect, and no proceedings for such purpose have been instituted and are continuing or are pending, contemplated or threatened;

(h) BGC has not taken any action that would reasonably be expected to result in the delisting or suspension of its common shares on or from the TSX-V;

(i) on or before the Initial Closing Date, the TSX-V will have conditionally approved the listing of the BGC Shares and will have conditionally approved the listing and posting for trading of all such BGC Shares upon their issuance, subject only to customary conditions of the TSX-V;

(j) BGC has duly filed or delivered all reports, filings, disclosures, releases and other materials required to be filed with or delivered to any securities regulatory authority having jurisdiction under applicable laws (including, without limitation, periodic timely disclosure filings and other materials required to be filed by a "reporting issuer" under Canadian securities laws in British Columbia, Alberta or Ontario). All such reports, filings, disclosures, releases or other materials have been prepared in accordance with applicable laws (including Canadian securities laws) and, as of the date of the filing or delivery thereof, none of such reports, filings, disclosures, releases or other materials contained any misrepresentation;

(k) there are no material facts or material information and, since December 31, 2009, there has been no material change in the capital, business, assets, liabilities or obligations (absolute, accrued, contingent or otherwise), operations, condition (financial or otherwise), results of operations, financial position, capital or long term debt or prospects of BGC, in each case required to be disclosed under applicable securities laws, which have not been generally disclosed and no such disclosure has been made on a confidential basis; and

(l) each of the BGC Shares, upon issuance to Seller, will be:

(i) validly issued as fully-paid and non-assessable common shares in the capital of BGC;

(ii) freely tradable by Seller without resale restrictions pursuant to applicable Canadian securities laws and TSX-V rules and regulations; and

(iii) listed and posted for trading on the TSX-V.

5.3 **Acknowledgement that Garimpeiros Claims Excluded**

Each of the Parties acknowledges and agrees that:

(a) except as otherwise disclosed in this Agreement and/or in the documents listed in Schedule "D" – Relevant Documents, as of the date hereof, there are no other claims related to artisanal mining activities; and

(b) there may be in the future:

(i) judicial or administrative claims or interests pursued by Garimpeiros against or in relation to the Properties, in connection with the validity of the Mineral Rights or with respect to economic interests over any ore eventually exploited in the areas covered by the Mineral Rights by any Party hereunder, or

(ii) activities carried out by Garimpeiros on the Properties resulting therefrom,

(collectively, "**Garimpeiros Claims**");

(c) no representations or warranties, whether express or implied, are (or ever have been) made to either Purchaser by any Party with respect to any Garimpeiros Claims;

(d) each representation and warranty made under Section 5.1 excludes any reference to any Garimpeiros Claims, whether existing or not;

(e) each of the Parties, other than Purchasers, specifically disclaims any and all liability arising under, relating to or in connection with any Garimpeiros Claims, regardless of whether such Party may have actual knowledge of any Garimpeiros Claim, including with respect to any Garimpeiros Claim that may materially change a representation or warranty made under Section 5.1; and

(f) it is entirely Purchasers' obligation to satisfy itself with respect to any matters relating to Garimpeiros Claims, including as to the right of access to the Properties.

6. COVENANTS

6.1 Covenants of Seller

Seller shall, or shall procure that Holdco or, as applicable, from the date hereof until the earlier to occur of a Termination or the Final Closing Date:

(a) use its best efforts to rectify the Title Deficiency with the DNPM as soon as possible;

(b) following the date hereof and prior to commencement of the Option Period:

(i) take all reasonable steps to assist Purchasers maintain all Mineral Rights and Properties as valid and in good standing (except for those Mineral Rights subject to the Title Deficiency), free and clear of any and all Encumbrances of whatsoever nature or kind;

(ii) promptly inform Purchasers of any issue likely to cause the Mineral Rights and/or Properties to be no longer valid or in good standing and of which Seller has reason to believe Purchasers may not be aware;

(c) during the Option Period:

(i) assist Purchasers to obtain all necessary approvals for them to carry on such activities as contemplated hereunder;

(ii) subject to sub-paragraph (iii), assist Purchasers to obtain any and all regulatory or governmental consents or approvals required in order to consummate the transactions contemplated hereunder;

(iii) Luis Azevedo shall provide assistance, to the extent required, in order to obtain any consents or approvals under sub-paragraph (ii), including in connection with the transfer to BRM of any Exploration Authorizations issued by the DNPM upon approval of any Applications for which BRM is not the named applicant as contemplated by Section 4.5(b), subject to the Purchasers paying the hourly rate associated with Mr Azevedo's services in connection with such assistance and any disbursements directly related thereto after the Initial Closing Date;

(iv) take all reasonable steps required or desirable to ensure, and to assist Purchasers in ensuring, that each of Holdco and BRM is and remains in good standing with any relevant Governmental Authority, including in their jurisdictions of organization;

(v) not sell, Transfer or Encumber any of the Option Shares, the Option Interest, the quotas held by Seller or Holdco in BRM, or the Mineral Rights Properties, or enter into any arrangement or agreement (or grant any option or right that may become an agreement) with respect thereto;

(vi) not take any actions or do such things, or omit to take any actions or do such things, as would render any of the representations and warranties made in Section 5.1 materially untrue or incorrect when made or reasonably interfere or conflict with the covenants made by it hereunder or the anticipated consummation of the transactions as contemplated herein; and

(vii) take all action necessary to maintain all Mineral Rights and Properties valid and in good standing, free and clear of any and all Encumbrances of whatsoever nature or kind, and promptly inform Purchasers of any occurrence or non-occurrence that is likely to affect the validity or good standing of such Mineral Rights and/or Properties. For the avoidance of doubt, the Parties hereby clarify that from the execution date of this Agreement onwards, Purchasers shall be responsible for the costs of any and all fees related to the Mineral Rights and Properties, and Seller, from the date hereof to the Final Closing Date, Holdco and BRM shall cooperate with Purchasers and BGC to complete payment of any and all fees related to the Mineral Rights and Properties and to file the required reports in connection with such Mineral Rights and Properties.

6.2 Additional Seller Covenants

Seller shall execute and deliver to Purchasers for filing, on behalf of itself, Holdco, and BRM, all such agreements, documents, transfers, instruments, applications and notices as shall be necessary or, in the opinion of Purchasers acting reasonably, desirable, to consummate the transactions contemplated herein, including without limitation the purchase and sale of the Option Shares, and to obtain all approvals and consents which are required, or which Purchasers acting reasonably considers desirable, from applicable Governmental Authorities in connection therewith, including without limitation the prior approval of the indirect change in ownership of the Mineral Rights as a result of completion of the transactions contemplated herein.

6.3 **Principal Landowner Contact**

The Parties agree that Seller's representative Luis Azevedo shall be the principal contact with all landowners in relation to the Properties and that each Party shall communicate through Mr. Azevedo in the event any issue or request arises in respect of any of the Properties.

6.4 **Principal Mineral Rights Contact**

The Parties agree that Seller's representative Luis Azevedo shall be the principal contact and responsible to advise Purchasers of any payments and filing obligations of BRM in connection with the Mineral Rights and Properties and that each Party shall communicate through Mr. Azevedo in the event any issue or request arises in respect of any of the Mineral Rights.

6.5 **Additional Covenants of Purchasers**

In addition to any other covenants and obligations set out herein, Purchasers shall:

(a) after the Initial Closing Date, pay all costs and expenses in order to keep Holdco and BRM in compliance with Applicable Laws in their jurisdiction of organization and elsewhere, as applicable, including all annual or other fees payable to Governmental Authorities to maintain good standing thereunder, and all related annual and renewal fees, costs and expenses, including fees and expenses of agents and advisors retained by or on behalf of Holdco or BRM in connection therewith;

(b) cause the BGC Shares, when issued to Seller, to be validly issued as fully-paid and non-assessable common shares in the capital of BGC;

(c) obtain all necessary consents from the TSX-V for the issuance of the BGC Shares to Seller as freely tradable shares of BGC;

(d) obtain, in respect of the issuance on the Initial Closing Date and any subsequent issuance of BGC Shares contemplated herein, the conditional approval of the TSX-V to list and post for trading all BGC Shares at the opening of trading on the Initial Closing Date and the date of any subsequent issuance;

(e) use its reasonable best efforts to maintain its status as a reporting issuer not in default under any securities laws applicable in Canada in each of the Provinces of Alberta, British Columbia and Ontario throughout a two (2) year period following the Final Closing Date;

(f) comply with all requirements of the TSX-V in order to remain a listed issuer in good standing on the TSX-V;

(g) maintain the outstanding common shares of BGC, including the BGC Shares, listed for trading on the TSX-V; and

(h) not take any steps, or omit to take any steps, contrary to the foregoing provisions of this Section 6.5.

7. INDEMNITY

7.1 Mutual Indemnification

The representations and warranties contained in this Agreement are conditions on which each of Purchasers and Seller has relied in entering into this Agreement and shall survive the acquisition of the Option Shares by Purchasers hereunder for a period ending on the date that is two (2) years from the date hereof. Subject to Section 5.2(e), each of Purchasers and Seller, Holdco and BRM, shall indemnify and save the other and each of their respective directors, officers, employees, Affiliates, consultants, representatives and agents harmless from any and all losses, damages, costs, claims, obligations, liabilities, actions, orders, penalties, proceedings, suits, legal and other expenses (collectively, "**Claims**") arising out of or related to any breach of any representation or warranty made by it contained herein.

7.2 Indemnification by Purchasers

Purchasers shall indemnify and save Seller, Holdco and BRM, and each of their respective directors, officers, employees, Affiliates, consultants, representatives and agents harmless from any and all:

(a) Claims arising out of or related to any activities, omissions or actions of Purchasers or any of its Affiliates in connection therewith, on or in connection with the Properties or the Mineral Rights, that is attributable to any activities, actions or omissions of Purchasers or an Affiliate related thereto after the Initial Closing Date, including with respect to any Exploration Activities or any Environmental Liabilities;

(b) Claims arising pursuant to or following a Termination in connection with an obligation of Purchasers or one of its Affiliates under Section 4.7; and

(c) Claims arising out of or related to any breach of any of the covenants of Purchasers hereunder.

7.3 Indemnification by Seller, Holdco and BRM

Seller, Holdco and BRM shall indemnify and save Purchasers, and each of their respective directors, officers, employees, Affiliates, consultants, representatives and agents harmless from any and all:

(a) Claims arising out of or related to any activities, omissions or actions of Seller, Holdco and/or BRM or any of their Affiliates in connection therewith, on or in connection with the Properties or the Mineral Rights, that is attributable to any activities, actions or omissions of Seller, Holdco and/or BRM or an Affiliate related thereto prior to the Initial Closing Date, including with respect to any Exploration Activities or any Environmental Liabilities; and

(b) Claims arising out of or related to any breach of the covenants of Seller, Holdco and/or BRM set out in Sections 4.5, 6.1 and 6.2

7.4 **Other Remedies**

No Party shall be prevented from pursuing legal proceedings against any other Party in order to enforce the indemnity provisions herein. The indemnity under Section 7.1 shall survive for a period ending on the date that is two (2) years from the date hereof. The indemnities under Sections 7.2 and 7.3 shall survive for a period ending on the date that is two (2) years from the date of any Termination or Final Closing Date, whichever is the first to occur.

8. TERMINATION

8.1 **Circumstances of Termination**

This Agreement and the Option may be terminated as follows (each, a "**Termination**"):

(a) by Purchasers at any time by delivery of written notice thereof to Seller; and

(b) by Seller upon delivery of written notice thereof to Purchasers:

(i) advising that Seller was not notified of the satisfaction of the condition under Section 2.4(a) by the specified deadline or by such other date mutually agreed by BGC and Seller;

(ii) advising that the condition under Section 2.4(b) was not satisfied;

(iii) if Purchasers fail to make a payment when due in accordance with Section 2.3;

(iv) if Purchasers fail to make a payment for Good Standing Fees when due in accordance with Section 4.4 (except Good Standing Fees contested in good faith by Purchasers provided non-payment does not adversely affect the Exploration Authorizations or any Applications); or

(v) if performance of any covenant or obligations of any of the Purchasers which is delayed by Force Majeure hereunder is not satisfied within fifteen (15) days of the FM Date.

The Parties further agree that the termination rights set forth in Section 8.1(b) (except under Section 8.1(b)(v)) will only apply if Purchasers fail to remedy any of their obligations within seven (7) Business Days after receipt of notice of default from Seller indicating the nature of the default.

8.2 Obligations upon Termination

Upon a Termination:

(a) subject to compliance with Section 4.7, Purchasers shall not be required to make any further payments hereunder and shall not be liable to Seller therefor;

(b) Seller shall not be required to sell, transfer or convey to Purchasers the Option Shares; and

(c) Purchasers shall have no claims against any of the other Parties in connection with expenses, costs or liabilities Purchasers may have incurred in relation to any activities it has carried out on the Properties or in connection with the Mineral Rights as permitted hereunder.

9. MISCELLANEOUS

9.1 Notice

Any demand, notice or other communication to be given in connection with this Agreement shall be given in writing and will be given by personal delivery, courier, registered mail or fax addressed to the recipient as follows:

If to Purchasers:
Brazilian Gold Corporation
Suite 308, 595 Howe Street
Vancouver, British Columbia Canada V6C 2T5

Attention: Joanne Yan
Facsimile No.: 604-677-6243

With a copy to:
Heenan Blaikie LLP
333 Bay Street Suite 2900
Bay Adelaide Centre
Toronto, Ontario Canada M5H 2T4

Attention: Steve Vaughan
Facsimile No.: 866-277-7855

If to Seller:
Talon Metals Corp.
c/o Tau Capital Corp.
110 Sheppard Avenue East, Suite 610
Toronto, Ontario Canada M2N 6Y8

Attention: Sean Werger
Facsimile No.: 416-361-0330

With a copy to:
Macleod Dixon LLP
Toronto-Dominion Centre,

TD Waterhouse Tower,
79 Wellington Street West
Suite 2300, P.O. Box 128
Toronto, Ontario Canada M5K 1H1

Attention: Marvin Singer
Facsimile No.: 416-360-8277

or to such other address, individual or fax number as may be designated by notice given by the applicable Party to the others. Any demand, notice or other communication given by personal delivery or courier is conclusively deemed to have been given on the day of actual delivery thereof; if given by registered mail, on the fifth (5th) Business Day following the deposit thereof in the mail; or if given by fax, on the day of transmittal thereof if given during the normal business hours of the recipient and on the Business Day during which such normal business hours next occur if not given during such hours on any day. If the Party giving any demand, notice or other communication knows or ought reasonably to know of any difficulties with the postal system that might affect the delivery of registered mail, any such demand, notice or other communication may not be mailed but must be given by personal delivery or by fax.

9.2 **Arbitration**

Any controversy, dispute, claim, question or difference (a "**Dispute**") which arises with respect to this Agreement or its performance, enforcement, breach, termination or validity, shall be resolved as follows:

(a) Purchasers and Seller (each in this Section 9.2, a "party") will endeavour to settle the Dispute through consultation and negotiation;

(b) except as is expressly provided in this Agreement, if the parties do not reach a solution pursuant to Section 9.2(a) within a period of fifteen (15) days following the first notice of the Dispute by any party to the other, then upon notice by any party to the other, the Dispute shall be arbitrated and finally resolved pursuant to the *Arbitration Act*, 1991 (Ontario). Such arbitration shall be conducted by a single arbitrator. The arbitrator shall be appointed by agreement between the parties to the Dispute or, failing agreement, such arbitrator shall be appointed under section 10 of the *Arbitration Act*, 1991 (Ontario). The place of arbitration shall be the City of Toronto in the Province of Ontario. The language of the arbitration shall be English. Any notice or other document, including a notice commencing arbitration, may be served by sending it to the addressee by fax in accordance with Section 9.1 hereof. The decision arrived at by the arbitrator shall be final and binding and no appeal shall lie therefrom.

9.3 **Survival**

Sections 4.3, 4.7, 7, 8.2 and 9 shall survive Termination.

9.4 **Currency**

All references to dollars or to "$" shall mean Canadian Dollars.

9.5 **Governing Law**

This Agreement is governed by and shall be interpreted and enforced under the laws of the Province of Ontario and the laws of Canada applicable therein.

9.6 **Service of Process**

Without derogating from the obligations of the Parties to submit to arbitration pursuant to Section 9.2:

(a) Purchasers agree that the process by which any suit, action or proceeding is begun in relation to this Agreement may be served on it by being delivered to Heenan Blaikie, Bay Adelaide Centre, 333 Bay Street, Suite 2900, P.O. Box 2900, Toronto, Ontario M5H 2T4, Attention: Steve Vaughan, as well as the addresses set out in Section 9.1; and

(b) Seller agrees that the process by which any suit, action or proceeding is begun in relation to this Agreement may be served on it by being delivered to Macleod Dixon LLP, Toronto-Dominion Centre, TD Waterhouse Tower, 79 Wellington Street West, Suite 2300, P.O. Box 128, Toronto, Ontario M5K 1H1, Attention: Marvin Singer, as well as the address and Person set out in Section 9.1.

If the appointment of the Person in either of the preceding paragraphs ceases to be effective, the relevant Party shall promptly appoint a further Person to accept service of process on its behalf and, until notice of such appointment is given to the other Parties, service of notice on the above named Person shall remain effective. Nothing in this Agreement shall affect the right to serve process in any other manner permitted by Applicable Law.

9.7 **Enurement and Amendments**

The provisions of this Agreement shall enure to the benefit of, and be binding upon, each of the Parties and its successors, assigns and legal representatives, and this Agreement and the Royalty Agreement together constitute the sole record of the agreement between the Parties in regard to the subject matter hereof. No Party shall be bound by any express or implied term, representation, warranty, promise or the like, not recorded herein or therein. No addition to, variation, amendment, modification, supplement or consensual cancellation of this Agreement will be of any force or effect unless in writing and signed by or on behalf of all the Parties.

9.8 **Good Faith**

Each of the Parties agrees to act in good faith in exercising its rights and performing its obligations hereunder. Notwithstanding the foregoing, no Party shall be obligated to act in a manner that may be unreasonable in the circumstances or conflict with any duty, obligation or consideration owed by it to any other Person.

9.9 Further Assurances

Each of the Parties agrees to take, from time to time, such actions and execute such additional instruments as may reasonably be necessary to implement and carry out the intent and purpose of this Agreement.

9.10 Force Majeure

"**Force Majeure**" means an event which, during any period while this Agreement is in effect, prevents or makes unattainable on a practical basis the performance of the obligations of a Party due to any cause, whether foreseeable or unforeseeable, that is beyond its reasonable control, including labour disputes (however arising and whether or not employee demands are reasonable or within the power of the party to grant); acts of God; laws, regulations, orders, proclamations, instructions or requests of any governmental authority; judgments or orders of any court; inability to obtain on reasonably acceptable terms any public or private license, permit or other authorization; curtailment or suspension of activities to remedy or avoid an actual or alleged, present or prospective violation of federal, provincial or territorial or local environmental standards; acts of war or conditions arising out of or attributable to war, whether declared or undeclared; terrorism, riot, civil strife, insurrection or rebellion; fire, explosion, earthquake, storm, flood, sink holes, drought or other adverse weather conditions; delay or failure by suppliers or transporters of materials, parts, supplies, services or equipment or by contractors' or subcontractors' shortage of, or inability to obtain, labour, transportation, materials, machinery, equipment, supplies, utilities or services; accidents; breakdown of equipment, machinery or facilities; or any other cause whether similar or dissimilar to the foregoing. The affected Party shall promptly give Notice to the other Parties of the suspension of performance, stating therein the nature of the suspension, the reasons therefore, and the expected duration thereof. The affected Party shall resume performance as soon as reasonably possible.

No Party shall be liable to the other Party or be in default under this Agreement for any failure or delay in performing any of its covenants or obligations caused by or arising out of any act of Force Majeure; provided that the Party asserting Force Majeure gives written notice to the other Party of such occurrence no later than five (5) days after the act of Force Majeure commences or is discovered (the "**FM Date**"). Settlement of strikes or labour disputes shall be entirely within the discretion of the Party experiencing the difficulty. Subject to the following sentence, no right of any Party shall be affected by failure or delay of that Party to meet any provisions or terms set forth in this Schedule, where such failure or delay is caused by any event of Force Majeure, and all times provided for in this Agreement shall be extended for a period equal to the period of delay.

9.11 No Waiver

The failure of a Party to insist on the strict performance of any provision of this Agreement or to exercise any right, power, or remedy upon a breach hereof shall not constitute a waiver of any provision of this Agreement or limit the Party's right thereafter to enforce any provision or exercise any right hereunder.

9.12 Assignment

No Party shall be entitled to assign or otherwise Transfer this Agreement or all or any of its rights, interests or obligations under this Agreement except with the prior written consent of the other Parties, which consent shall not be unreasonably withheld.

9.13 **Severability**

If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision formed no part of this Agreement; and the remainder of this Agreement shall remain in full force and effect and shall not be affected by such provision or by its severance from this Agreement. In lieu of such illegal, invalid or unenforceable provision there shall be added automatically as a part of this Agreement from which such provision was severed a provision as similar in terms and economic effect to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

9.14 **Independent Legal Advice**

Each Party acknowledges and agrees that it has had a reasonable opportunity to obtain or has obtained, independent legal advice with respect to this Agreement, that it has read and fully understands the provisions of this Agreement, that the terms and conditions of this Agreement are reasonable, and that it is signing this Agreement freely, voluntarily and without duress.

9.15 **Execution and Counterparts**

This Agreement may be executed and delivered by fax transmission in any number of counterparts. Each executed counterpart shall be deemed to be an original. All executed counterparts taken together shall constitute one agreement.

[execution page follows]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

TALON METALS CORP.

Per: (Signed) *"Stuart Comline"*
Name: Stuart Comline
Title: Interim President and CEO

I have the authority to bind the Corporation

BRAZILIAN GOLD CORPORATION.

Per: (Signed) *"Alvin Jackson"*
Name: Alvin Jackson
Title: Chairman, CEO

I have the authority to bind the Corporation

BRAZILIAN RESOURCES MINERAÇÃO LTDA.

Per: (Signed) *"Luis Azevedo"*
Name: Luis Azevedo
Title: Director

I have the authority to bind the Corporation

CABRAL RESOURCES (B.V.I) LIMITED

Per: (Signed) *"Joanne Yan"*
Name: Joanne Yan
Title: Director

I have the authority to bind the Corporation

SEATRAIN HOLDINGS LIMITED

Per: (Signed) *"Luis Azevedo"*
Name: Luis Azevedo
Title: Director

I have the authority to bind the Corporation

Schedule "A"

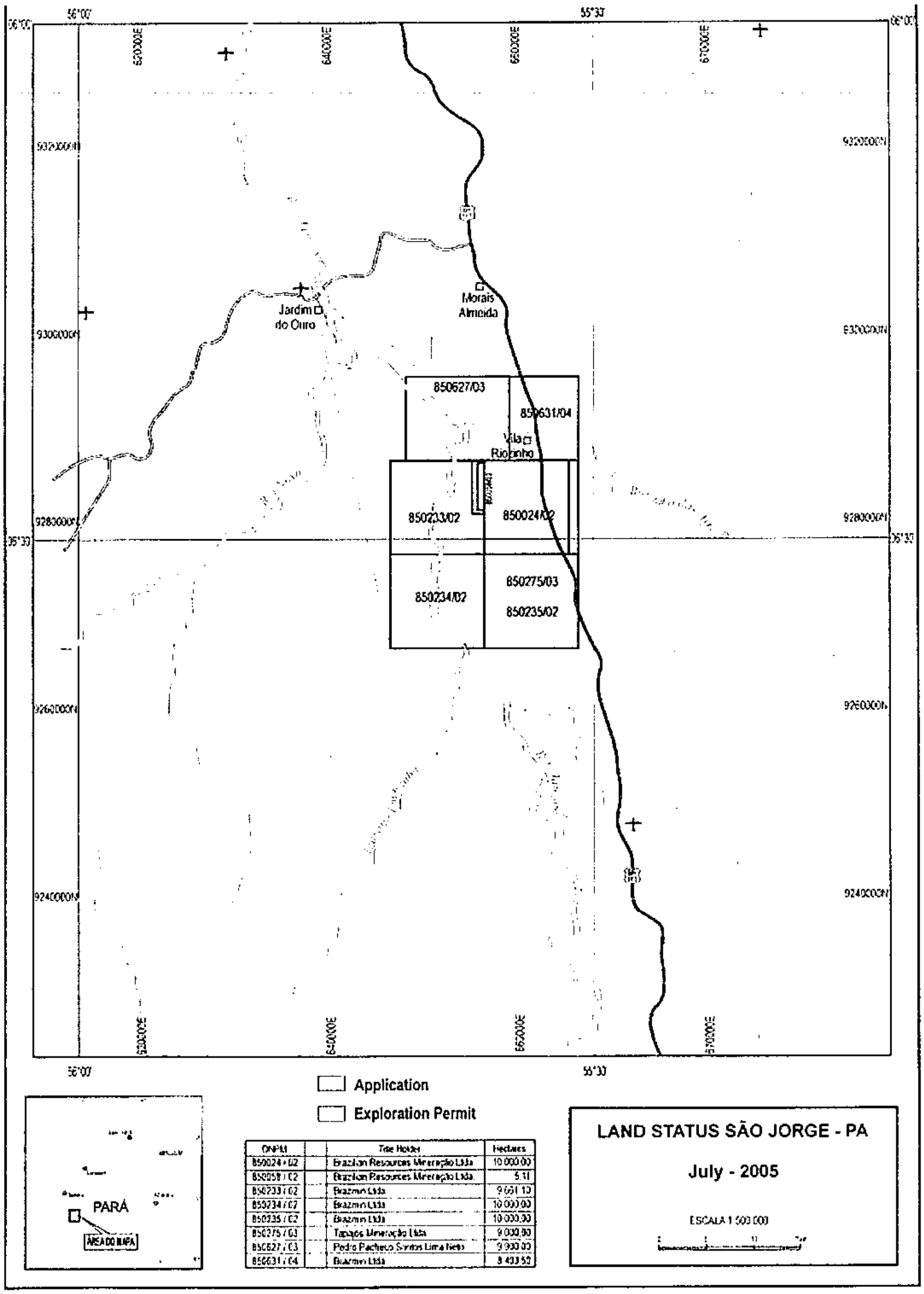
Mineral Rights and Properties

São Jorge Gold Project Mineral Rights Summary Chart								
Mineral Right Number	**Type**	**Area (Ha)**	**Location**	**Date Requested (Application Only)**	**Date Granted m/d/y**	**Date of Expiry**	**Encumbrances/Notes**	**Holder**
850.019/2006	Application	3 416.10	PA	01/26/2006	-	-	Pending issuance of Exploration Authorization by DNPM	BRM
850.024/2002	Exploration Authorization*	10 000.00	PA	-	07/03/2003	07/03/2006	Title under administrative dispute (within DNPM). Please see Schedule "D"	BRM
850.058/2002	Application**	5.11	PA	05/06/2002	-	-	Pending issuance of Exploration Authorization by DNPM	BRM
850.233/2002	Exploration Authorization	9 661.10	PA	-	11/18/2005	04/22/2013	Exploration Authorization was renewed on 04/22/2010	Braz
850.234/2002	Exploration Authorization	10 000.00	PA	-	11/18/2005	04/22/2013	Exploration Authorization was renewed on 04/22/2010	Braz
850.235/2002	Exploration Authorization	10 000.00	PA	-	11/18/2005	04/22/2013	Exploration Authorization was renewed on 04/22/2010	Braz
850.275/2003	Application**	9 000.00	PA	06/18/2003	-	-	Pending issuance of Exploration Authorization by DNPM	TML
850.627/2003	Exploration Authorization	9 853.76	PA	-	11/18/2005	11/18/2008	Technical report submitted. Pending renewal or granting of the mining concession.	BRM
850.631/2004	Application	8 493.50	PA	10/15/2004	-	-	Pending issuance of Exploration Authorization by DNPM	Braz
851.094/2005	Application	3 416.10	PA	12/28/2005	-	-	Pending issuance of Exploration Authorization by DNPM	BRM
Total Area		**73 845.67**						

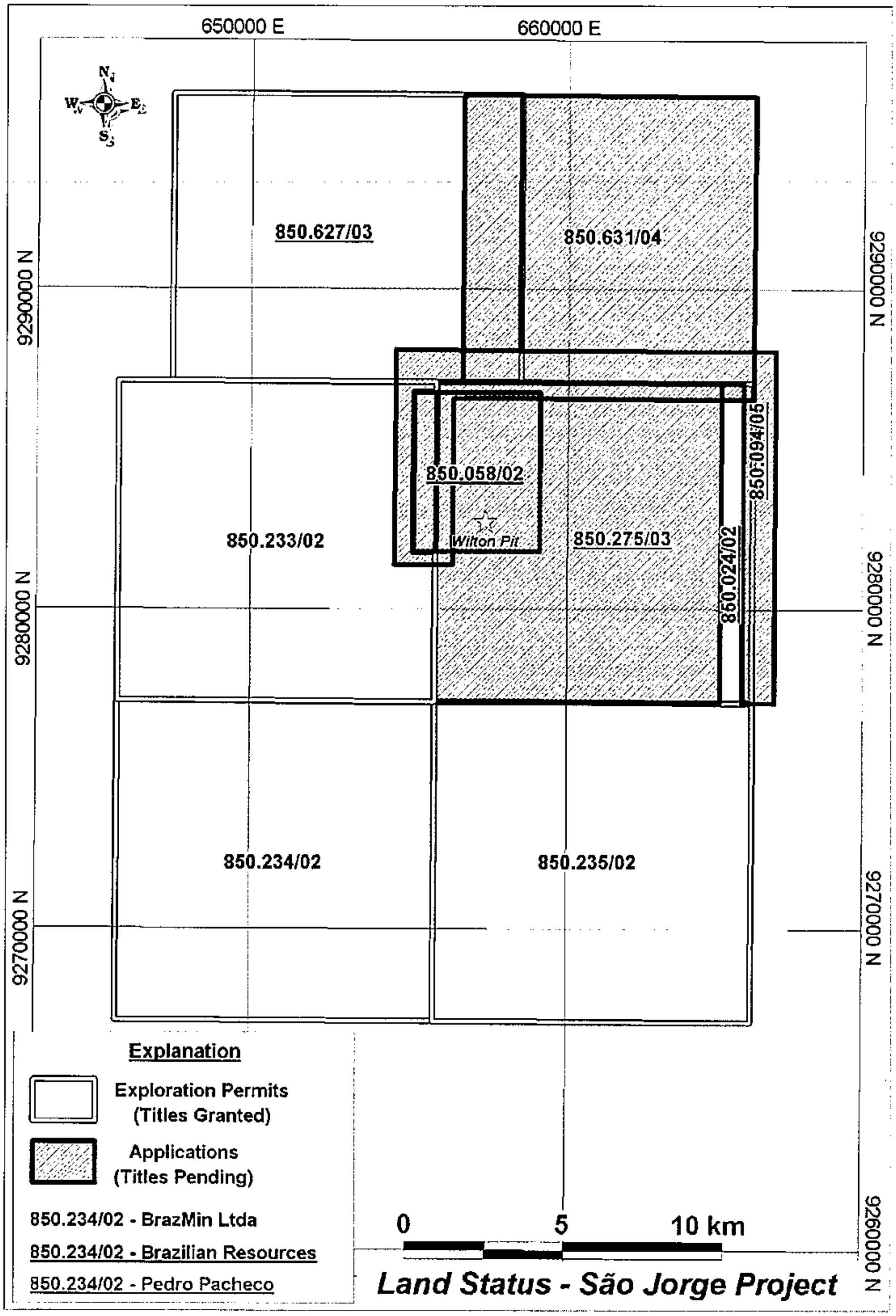
Notes: * = Title Deficiency. ** = Intended to cure Title Deficiency with 850.058/2002 and 850.275/2003. Braz = Brazmin Ltda. BRM = Brazilian Resources Mineração Ltda. and TMP = Tapajos Mineração Ltda.

Schedule "B"

Mineral Rights and Properties Location Map



DNPM		Title Holder	Hectares
850024 / 02		Brazilian Resources Mineração Ltda	10 000,00
850058 / 02		Brazilian Resources Mineração Ltda.	5,31
850233 / 02		Brazmin Ltda	9 651,10
850234 / 02		Brazmin Ltda	10 000,00
850235 / 02		Brazmin Ltda	10 000,00
850275 / 03		Tapajos Mineração Ltda	9 000,00
850627 / 03		Pedro Pacheco Santos Lima Neto	9 930,00
850631 / 04		Brazmin Ltda	9 403,50


650000 E
660000 E
N
W
E
S
9290000 N
9280000 N
9270000 N
9260000 N
850.627/03
850.631/04
850.058/02
Wilton Pit
850.233/02
850.275/03
850.024/02
850.094/05
850.234/02
850.235/02
Explanation
Exploration Permits (Titles Granted)
Applications (Titles Pending)
850.234/02 - BrazMin Ltda
850.234/02 - Brazilian Resources
850.234/02 - Pedro Pacheco
0
5
10 km
Land Status - São Jorge Project

Schedule "C"

Royalty Agreement

THIS NET SMELTER RETURNS ROYALTY AGREEMENT (the "**Agreement**") is hereby entered into as of ____________________, 20__ between the following parties (each, a "**Party**" and, collectively, the "**Parties**"):

BRAZMIN LTDA, a limited liability company organized and existing under the laws of Brazil, ("**Recipient**")

OF THE FIRST PART;

BRAZILIAN RESOURCES MINERAÇÃO LTDA., a company organized and existing under the laws of Brazil, ("**Owner**")

OF THE SECOND PART;

BRAZILIAN GOLD CORPORATION, a company organized and existing under the laws of British Columbia, ("**Parent**")

OF THE THIRD PART;

WHEREAS Parent has acquired from the Owner and Recipient 100% of the Mineral Rights pursuant to the terms of the Option Agreement; and

AND WHEREAS, pursuant to Section 3.1 of the Option Agreement, the Parties are required to enter into this Royalty Agreement, pursuant to which Parent shall pay to Recipient a Net Smelter Returns royalty of one percent (1.0%) in respect of any Product (as defined below) extracted, produced, saved and marketed from the Properties.

ARTICLE 1
INTERPRETATION

1.1 Defined Terms. Unless the context otherwise requires, the following words and terms set forth in this Article 1 shall have the meanings respectively assigned to them. The meanings of certain words and expressions used herein which are defined in the Option Agreement (as defined below) are incorporated by reference and have the same meaning herein.

(a) "**Commercial Production**" means the commercial exploitation of Product from the Properties, or any part, as a mine, but does not include milling for the purpose of testing or milling by a pilot plant. Commercial Production shall be deemed to have commenced:

(i) if a plant is located on the Properties, on the first day following the thirtieth (30th) day during which Product has been produced from the Properties at more than fifty percent (50%) of run-of-mine capacity, as calibrated to such plant, or

(ii) if no plant is located on the Properties, on the first day of the month following the thirtieth (30th) day during which Product has been shipped from the Properties for the purpose of earning revenue.

(b) "**Facilities**" means all mines, plants and facilities including, without limitation, all pits, shafts, haulageways, and other underground workings, and all buildings, plants, facilities and other structures, fixtures and improvements, and all other property, whether fixed or moveable, as the same may exist at any time in, or on the Properties and relating to the operation of the Properties as a mine or outside the Properties if for the exclusive benefit of the Properties only.

(c) "**Interest Rate**" means ten (10%) percent per annum, calculated monthly and not in advance.

(d) "**Net Smelter Returns**" or "**NSR**" means:

(i) For gold: the aggregate of any and all amounts received by the Owner (as defined below) as sale or other proceeds for any and all gold recovered, extracted, produced, saved and marketed from the Properties (and for the avoidance of doubt the Parties hereby acknowledge and confirm that the Recipient will be entitled to receive one percent (1.0%) of such Net Smelter Returns), after deducting therefrom all taxes (excluding income taxes), arm's length transport expenses (from the mine to any Processor), arm's length refinery costs and insurance related to the gold's sale (on a similar basis to the collection of financial compensation for the exploitation of mineral resources - CFEM). With respect to any gold produced from the Properties, the actual amount of payment received by the Owner from a Processor shall be deemed to be an amount equal to the product of (x) the relevant number of ounces received by the Owner from producing operations and (y) the gold price per ounce as quoted by the London Bullion Brokers' P.M. Gold fixing (or equivalent quotation), on the date the relevant Processor credits the Owner's account with respect to any processed gold.

(ii) For any Product other than gold: the aggregate of any and all amounts received by the Owner as sale or other proceeds for any and all Product recovered, extracted, produced, saved and marketed from the Properties (and for the avoidance of doubt the Parties hereby acknowledge and confirm that the Recipient will be entitled to receive one percent (1.0%) of such Net Smelter Returns), after deducting therefrom:

(A) for any Product treated by an arm's-length Processor, all reasonable expenses directly relating to such processing, including all costs, charges and expenses for the treatment, tolling, smelting or milling of such Product and all reasonable costs associated therewith (e.g., shipping, handling, weighing, insurance, sampling, assaying, storage, government royalties, production taxes, severance taxes, import or export taxes, sales taxes, or other taxes levied (other than income taxes) on such Product or on the value of such Product), but excluding any capital costs incurred in the mining of such Product; or

(B) for any Product treated by a Processor owned, operated or controlled by the Owner, all reasonable costs, charges, and expenses directly relating thereto, excluding any capital costs incurred in the mining of such Product but including the expenses in paragraph (A).

For the purposes of paragraph (B) above, such charges, costs and expenses shall not exceed the prevailing rates charged by a similar Processor in an arm's-length transaction for the treatment of a like quantity and quality of Product. For greater certainty, the net smelter returns realized, after deducting the expenses in the case paragraph (B) applies, shall be deemed to be equal to the fair market value of such Product F.O.B. the mine head or concentrator, as the case may be, which shall be determined using the prices and terms quoted by Processors dealing at arm's-length with the Owner after making due allowances for the cost of delivering such Product from the mine head or concentrator, as the case may be, to such Processor.

With respect to any Product (other than gold) recovered, extracted or produced from the Properties, the sale or other proceeds received by the Owner shall be deemed to be an amount equal to the product of (x) the relevant weight of such Product delivered by the Owner to the Processor and (y) the relevant London Metal Exchange closing spot quotation (or other equivalent or generally accepted quotation) for such Product on the date prior to the date of delivery of such Product to the Processor.

(e) "**Option Agreement**" means the option agreement dated June 14, 2010 between the Recipient and the Owner, among others.

(f) "**Owner**" means Brazilian Resources Mineração Ltda. and any assignees thereof.

(g) "**Parent**" means Brazilian Gold Corporation.

(h) "**Processor**" means a smelter, refinery, mill and/or mint and/or any purchaser or user other than the Owner.

(i) "**Product**" means any and all ores, concentrates or mineral products mined, extracted, recovered, saved or produced from the Properties.

(j) "**Properties**" means the areas covered by the Mineral Rights under the Option Agreement.

(k) "**Recipient**" means Brazmin Ltda. and any assignees thereof.

1.2 General.

(a) **English Language Paramount**. This Agreement shall be executed in English and, in case it is necessary to file it with a court of law, it will be translated by a sworn translator into Portuguese. The Parties acknowledge that the official version of this Agreement is that in the English language, and shall govern any non-English translation of this Agreement, including without limitation any arbitration procedures initiated hereunder.

(b) **Communications**. Any notice or other communication provided hereunder shall be in writing and delivered personally or sent by air mail, courier, or fax to the Party due to receive such notice or communication at the following address, or at such other address as such Party may specify by notice in writing to the other Party from time to time:

(i) the Recipient:

Brazmin Ltda.
Avenida Jornalista Ricardo Marinho, 360, sala 11
Barra da Tijuca, Rio de Janeiro, RJ BRAZIL
CEP: 22631-350
Attention: Luis Azevedo
Facsimile No.: +55-21-3418-4579

with a copy to :

Talon Metals Corp.
110 Sheppard Avenue East, Suite 610
Toronto, Ontario, Canada M2N 6Y8
Attention: Sean Werger
Facsimile No.: 416-361-0330

(ii) the Owner:

Brazilian Resources Mineração Ltda.
Suite 308, 595 Howe Street
Vancouver, British Columbia Canada V6C 2T5
Attention: Joanne Yan
Facsimile No.: 604-677-6243

(iii) Parent:

Brazilian Gold Corporation
Suite 308, 595 Howe Street
Vancouver, British Columbia Canada V6C 2T5
Attention: Joanne Yan
Facsimile No.: 604-677-6243

In the absence of evidence of earlier receipt, any notice or other communication shall be deemed to have been duly given:

(A) if delivered personally, when left at the address referred to in this clause 1.2(b);

(B) if sent by courier, when a delivery receipt is recorded by the courier company; or

(C) if sent by fax, on the date of transmission confirmed by return receipt, provided that if such transmission has been made after business hours (at the Recipient's address), it shall be considered to have been received on the next Business Day.

(c) **Entire agreement**. This Agreement represents and comprises all understandings and commitments assumed by the Parties, superseding and prevailing to any and all previous, verbal or written, understandings, negotiations and agreements, with respect to the matters regulated herein.

(d) **Payment**. All payments hereunder shall be made by the Owner to the Recipient by wire transfer of immediately available U.S. funds to a bank account (whose details are provided in writing by the Recipient to the Owner) whether in Brazil (by reference to the US Dollar – Real exchange rate, as disclosed by the Brazilian Central Bank, at the close of business on the day before any payment is due) or in a foreign jurisdiction. The documents issued by the financial institution evidencing the wire transfer being made to the account designated by the Recipient shall be evidence of the payment being initiated, subject to eventual receipt by the Recipient. Payment of any amounts required pursuant to this Agreement shall be valid and effective if they are made to the Recipient in accordance herewith by the Owner or any other person on behalf of the Owner.

(e) **Successors**. This Agreement shall enure to the benefit of the Parties and their respective successors and permitted assigns.

(f) **Amendments**. This Agreement may not be amended unless agreed to by the Parties in writing.

(g) **Performance of Obligations**. Each Party agrees to use all reasonable commercial efforts to perform its obligations hereunder.

(h) **Governing Law**. This Agreement shall be construed and governed according to the Laws of the Federative Republic of Brazil.

(i) **Arbitration**. It is hereby agreed upon by the Parties that any dispute or claim arising from or concerning this Agreement shall be settled by arbitration, according to the rules of the Câmara Mineira de Mediação e Arbitragem, by three arbiters appointed according to such rules. The arbitration place shall be the City of Rio de Janeiro, State of Rio de Janeiro. The award shall be final and binding to the Parties hereto, and it may be enforced in any court of competent jurisdiction. The Parties hereby waive any other right to appeal, to the extent such right may be legally waived.

(j) **Other Legal Actions**. Notwithstanding the provisions above, each Party remains entitled to resort to legal measures: (a) to compel the arbitration; (b) to obtain preliminary injunctions for protection of rights prior to the inception or during the arbitration proceeding, and such measure shall not be construed as a waiver of the arbitration proceeding by the Parties; and (c) to enforce any arbitration decision, including the final court's decision.

(k) **Jurisdiction**. For the purposes of the Brazilian Arbitration Act it is hereby elected the jurisdiction of the City of Rio de Janeiro, with the express waiver of any other, the most privileged it is or may be.

(l) **Judgment Debt**. The Parties covenant and agree that they will treat this Agreement as a judgment debt and a determinate obligation in accordance with the provisions set forth in item II of article 585 and article 621 of the Code of Civil Procedure, with the wording provided by Law no. 8.953/94.

(m) **Independent Legal Advice**. Each Party acknowledges and agrees that it has had a reasonable opportunity to obtain or has obtained independent legal advice with respect to this Agreement, that it has read and fully understands the provisions of this Agreement, that the terms and conditions of this Agreement are reasonable, and that it is signing this Agreement freely, voluntarily and without duress.

ARTICLE 2
GRANT OF ROYALTY

2.1 Grant of Royalty. Subject to the terms set forth herein, and in connection with Section 3.1 of the Option Agreement, the Owner hereby grants and agrees to pay to the Recipient, and Parent shall procure that the Owner pays to Recipient, a royalty equal to one percent (1.0%) of the Net Smelter Returns in the event that the Owner (or any successor or assign) brings the Properties or any portion thereof into Commercial Production (the "**Royalty**").

2.2 Assignment of Royalty. The Recipient may assign its rights and interest hereunder to any party if it provides written notice thereof to the Owner. The Owner hereby covenants and agrees that the obligations of the Owner to grant and make all payments pursuant to the Royalty provided for hereunder may only be assigned as part of, and must always be assigned as part of, any sale, transfer, assignment or other disposition by the Owner (directly or indirectly) of the Mineral Rights (collectively, a "**Sale**"), including by lease or other similar transaction, to any other party (including any affiliate) and that the Owner shall ensure that such other party becomes bound to perform the obligations set out hereunder as if such party were the original obligor under this Agreement as a condition precedent to the completion of such Sale.

ARTICLE 3
RIGHTS AND OBLIGATIONS

3.1 Owner's Rights and Obligations.

(a) The Owner shall have the unfettered right to conduct mining operations on the Properties, at its sole and exclusive discretion.

(b) Subject to the other requirements of this Section 3.1, the Owner shall have the right to commingle ores mined from any orebody located on the Properties, or concentrates derived therefrom, with ores or concentrates produced from other lands, provided that the Owner shall:

(i) adopt and employ best mining industry practices and procedures for weighing, determination of moisture content, grading, sampling and assaying such ores or concentrates;

(ii) utilize best mining industry practices and/or procedures to collaborate recovery factors in order to determine the amount of economically recoverable minerals contained in such ores or concentrates; and

(iii) use the same practices and procedures, in respect of ores mined from any orebody located adjacent to the Properties with ores from the Properties which are commingled, or in respect of which a unitized mining operation is conducted by the Owner,

in order to ensure an accurate determination of the Royalty payable to the Recipient.

(c) The Owner shall provide the Recipient drafts of all procedures and practices the Owner intends to implement under this Section 3.1 in advance of the time of implementation (the "**Procedures**"). The Owner shall provide the Recipient advance written notice of any proposed changes to the Procedures and the reasons therefore prior to implementation.

(d) Upon providing advance notice to the Owner, the Recipient shall be entitled, during reasonable business hours and at its sole risk and cost and in a manner that does not interfere with operations, to:

(i) enter upon the Properties and inspect the plant and audit the Procedures with respect to allocations made under this Section; and

(ii) have a representative present during weighing, sampling and assaying operations of the Product.

3.2 Recipient's Access and Inspection Rights of Records. The Owner shall keep separate books and records consistent with good mining practice relating to its production on the Properties and, to the extent reasonably possible, the processing of such ores through a

Processor, whether or not such Processor is owned by the Owner. Upon providing five (5) days written notice to the Owner, the Recipient or its duly authorized representatives shall be granted access to such records relating to the determination of the Royalty payable to the Recipient for the purpose of confirming any information contained in any statement delivered to the Recipient, provided always that such access shall not interfere with the Owner's operations production plan. The Recipient shall have the right to make copies of or to take extracts from such records for its own use.

ARTICLE 4
ROYALTY PAYMENTS

4.1 NSR Calculation and Payment. The NSR shall be calculated by the Owner at the end of each calendar quarter in which any Product is sold or otherwise disposed of (or deemed to be disposed of), and payments of the Royalty shall be made within thirty (30) days after the end of such calendar quarter. Each Royalty payment shall be accompanied by a statement containing comprehensive details concerning the basis on which the NSR for the immediately preceding quarter was calculated (the "**Statement**"). The amount of any quarterly Royalty payment may be estimated; provided that payment for the final quarter of the calendar year shall be reconciled to the annual production figures for Product exploited from the Properties, and the aggregate Royalty payment for the calendar year shall be adjusted accordingly. Subject to resolution of any objection to the Audited Statement (as defined below) in accordance with Section 4.2, such adjustment shall be made (i) by the Owner making such further payment of any shortfall calculated as being owing to the Recipient within thirty (30) days following the date the Audited Statement is delivered to the Owner and the Recipient, or (ii) by the Owner setting-off the amount of any excess Royalty actually paid to the Recipient against any subsequent scheduled quarterly Royalty payment(s) following the date the Audited Statement is delivered to the Owner and the Recipient.

4.2 NSR Statement. The Statement of the Royalty for the calendar year shall be audited (the "**Audited Statement**") at the expense of the Owner within one hundred and twenty (120) days of the calendar year end by a firm of nationally recognized chartered accountants, which may be a firm used otherwise by the Owner. The Recipient shall have ninety (90) days after the receipt of the Audited Statement to object thereto, and failing such objection the Audited Statement shall be final and binding. In the event any objection so raised by the Recipient cannot be amicably resolved within sixty (60) days, the Recipient shall have the right to conduct an independent audit by another firm of chartered accountants, and if any objection remains after such audit has been conducted, the matter in dispute shall be submitted to arbitration as provided in the Option Agreement. Any shortfall in payment of the Royalty required to be made to the Recipient (along with Recipient's reasonable audit and arbitration expenses, including fees and expenses of any advisors and interest accruing on the amount of the shortfall at the Interest Rate commencing on the date that it should have been paid up to and including the actual payment date) shall be made immediately by the Owner and any excess in payment of the Royalty actually made to the Recipient shall be set off by the Owner against the amount of any subsequent monthly payment(s) of the Royalty to the Recipient.

4.3 Tax. All payments made to the Recipient by the Owner pursuant to this Agreement are subject to all applicable taxes, which taxes, if required to be withheld or paid by the Owner on behalf of the Recipient, shall be deemed to be included in and considered part of any payment of the Royalty payable hereunder to the Recipient.

ARTICLE 5
HEDGING TRANSACTIONS AND STOCK PILING

5.1 Hedging Transactions. All profits and losses resulting from the Owner engaging in any commodity futures trading, option trading, metals trading or any combination thereof, and any other hedging transactions (collectively, "**hedging transactions**") shall be specifically excluded from calculations of the Recipient's Royalty payments pursuant to this Agreement. All hedging transactions by the Owner and all profits or losses associated therewith, if any, shall be strictly for the Owner's account. The Owner may enter into hedging transactions in respect of the Product as long as at least one percent (1.0%) of all Product processed by it or delivered to any Processor is not subject to hedging transactions (which shall include without limitation as security for any hedging transaction) and shall be available to satisfy any Royalty payment. With respect to Product which is the subject of any hedging transactions arranged by the Owner, the Royalty shall be determined without reference to such hedging transactions and shall be determined as set out in clause 1.1(d). If for any reason the London Metal Exchange closing spot quotation is no longer in operation or the spot price of a particular Product is not quoted on the London Metal Exchange closing spot quotation, the spot price of such Product shall be determined by reference to the price of such Product on another similar commercial exchange entity having the largest volume of trading in such Product on such day.

5.2 Stockpiling. The Owner or any Processor shall be entitled to stockpile, store or place Products or ores in any location owned by the Owner or the Processor; provided it is properly secured in accordance with good industry practice.

ARTICLE 6
CONDUCT OF OPERATIONS

6.1 Decisions. All decisions concerning methods, the extent, times, procedures and techniques of any exploration, development, mining, leaching, milling, minting, processing, extraction, treatment, if any, and the materials to be introduced into the portion of the Properties from which the Product is mined, recovered, extracted, saved or produced, and all decisions concerning the sale or other disposition of any Product and/or ore (including, without limitation, decisions as to buyers, times of sale, or whether to store or stockpile Products for a reasonable length of time without selling the same) shall be made by the Owner, acting reasonably and in accordance with good mining and engineering practices in the circumstances; the Owner shall notify the Recipient as soon as possible of any material change proposed in respect of the foregoing. The Owner shall not be responsible for nor obliged to make any Royalty payments for any Product values lost during extraction, recovery, mining or processing of the ores and/or Product. The Owner shall not be required to mine or to preserve or protect the Products which under customary mining practices cannot be mined, processed or shipped at a reasonable profit by the Owner at the time mined.

[Execution page follows]

IN WITNESS WHEREOF the Parties execute this instrument as a free expression of their will, in three (3) counterparts with equal content and form before the undersigned witnesses.

Rio de Janeiro - ____________________________, 20____.

Recipient:	**BRAZMIN LTDA.**	Owner:	**BRAZILIAN RESOURCES MINERAÇÃO LTDA.**
Name:	____________________	Name:	____________________
ID:	____________________	ID:	____________________
Individual Taxpayer Registry (CPF):	____________________	Individual Taxpayer Registry (CPF):	____________________
Witnesses:	____________________		____________________

Parent:	**BRAZILIAN GOLD CORPORATION**
Name:	(Signed) *"Alvin Jackson"* Alvin Jackson, Chairman/CEO
ID:	____________________
Individual Taxpayer Registry (CPF):	____________________
Witnesses:	(Signed) *"Witness"*

Schedule "D"

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