FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Prize Mining Corporation (the "Corporation" or "Prize")
Suite 810, 706 - 7 Avenue S.W.
Calgary, AB, T2P 0Z1
Canada
T: 403-263-2222

2. **Date of Material Change**

February 13, 2017

3. **News Release**

A News Release was disseminated on February 13, 2017 via Marketwired.

4. **Summary of Material Change**

The Corporation obtained conditional acceptance of the TSX Venture Exchange ("TSXV"), in respect of the acquisition by Prize of all issued and outstanding shares of 1994854 Alberta Ltd. ("199") The Corporation also announced details of a proposed $3.5 million private placement

5.1 **Full Description of Material Change**

The Corporation obtained the conditional acceptance of the TSXV in respect of the acquisition by the Corporation of all of the issued and outstanding shares of 1994854 Alberta Ltd. ("199 Shares") on a one-for-one share exchange basis pursuant to the terms and conditions of the pre-acquisition agreement (the "Pre-Acquisition Agreement") entered into between the Corporation and 199 (the "199 Acquisition"). The TSXV has also conditionally accepted the Corporation's application for reactivation and graduation to the TSXV as a Tier 2 mining issuer (the "Graduation"). Refer to the Corporation's news release dated December 29, 2016 for additional information regarding the 199 and its Kena Project, the 199 Acquisition and the Graduation. The conditions of the TSXV for its acceptance of the 199 Acquisition and the Graduation include the completion of a financing for proceeds of not less than $3.5 million and other customary conditions. It is now expected that the 199 Acquisition and the financing described below will be completed by the end of February 2017.

Private Placement

The Corporation announced that it intends to complete a non-brokered private placement financing for proceeds of $3.5 million (the "Private Placement"). The Private Placement will be comprised of the sale from treasury of (i) 2,222,222 common shares issued on a "flow-through" basis for the purposes of the Income Tax Act (Canada) at the price of $0.45 per share for gross proceeds of $1.0 million and (ii) 7,142,857 units (the "Units") at a price of $0.35 per Unit for gross proceeds of $2.5 million. Each Unit will consist of one (1) common share and one-half common share purchase warrant (the "Warrants"). Each full Warrant will entitle the holder to purchase one common share at a price of $0.75 per common share for a period of 24 months from the closing date of the Private Placement. If the common shares trade at or above $0.85 for a period of 10 consecutive trading days, the Corporation will have the right to reduce the term of the Warrants to a 30 day period beginning the day after the day the Corporation provides notice of the reduction of the term to the Warrantholders. The Corporation may increase the size of the Private Placement based on market conditions. The Corporation may pay a finder's fee to arm's-length finders in connection with the issue and sale of any or all of the securities under the Private Placement. The finder's fee shall consist of not more than a 7% cash payment and 7% warrants, calculated with reference to the gross proceeds of the Private Placement in relation to subscribers introduced by any particular finder. The Corporation does not anticipate any new insiders will be created, or that a change of control will occur as a result of the Private Placement. The securities issued in connection with the Private Placement will be subject to a four month hold period under applicable Canadian securities laws.

The Corporation anticipates using the proceeds from the Private Placement for an initial $150,000 work program on the Kena Project as will be outlined in the NI 43-101 report (the "Report") to be filed on SEDAR in February 2017 and for general working capital purposes. Please refer to the Corporation's news release of December 29, 2016 for additional information regarding the Kena Project. The Corporation will issue a news release announcing the filing of the Report on SEDAR and provide particulars of the work program to be carried out on the Kena Project following the completion of the 199 Acquisition and the Private Placement.

Pre-Acquisition Agreement

On December 23, 2016, Prize and 199 entered into the Pre-Acquisition Agreement under which Prize made the offer (the "Offer"). to acquire the outstanding shares of 199 on a one-for-one share exchange basis. 199 has a total of 28,525,000 common shares issued and outstanding.

Conditions to the Offer

Notwithstanding any other provision of the Offer, but subject to the provisions of the Pre-Acquisition Agreement, Prize reserves the right to withdraw or terminate the Offer and not take up and pay for, or to extend the period of time during which the Offer is open and postpone taking up and paying for, any 199 Shares deposited under the Offer unless all of the following conditions are satisfied, or waived by Prize:

(a) at the Expiry Time, and at the time Prize first takes up and pays for 199 Shares under the Offer, there shall have been validly deposited under the Offer and not withdrawn at least 90% (calculated on a diluted basis) of the outstanding 1994854 Shares (the "**Minimum Condition**");

(b) the number of 199 Shares outstanding shall be 28,525,000;

(c) all requisite governmental and regulatory and Third Party approvals, orders, rulings, exemptions and consents shall have been obtained on terms and conditions satisfactory to Prize, acting reasonably and no objection or opposition shall have been filed, initiated or made by any Governmental Authority during any applicable statutory or regulatory period which shall not have been withdrawn, deleted or overcome which has or will likely materially impede the ability of Prize to complete the Offer or any Second Stage Transaction;

(d) all the directors and officers of 199 shall have resigned and provided releases in accordance with Sections **Error! Reference source not found.** and **Error! Reference source not found.** of the Pre-Acquisition Agreement;

(e) the Exchange shall have conditionally approved the listing of Prize Shares to be issued pursuant to the Offer on terms satisfactory to Prize, acting reasonably;

(f) no act, action, suit or proceeding shall have been threatened or taken before or by any Government Authority or by any elected or appointed public official or private person (including, without limitation, any individual, corporation, firm, group or other entity) in Canada or elsewhere, whether or not having the force of law, and no law, regulation or policy shall have been proposed, enacted, promulgated or applied, whether or not having the force of law:

  (i) which has the effect (or may reasonably be expected to have the effect) to cease trade, enjoin, prohibit or impose material limitations, damages or conditions on the purchase by or the sale to Prize of the 199 Shares or the right of Prize to own or exercise full rights of ownership of the 199 Shares, or the ability of Prize to take-up and pay for the 199 Shares under the Offer or complete any Second Stage Transaction; or

  (ii) which, if the Offer and any Second Stage Transaction was consummated, would have a Material Adverse Effect on 199 or on Prize;

(g) Prize shall be satisfied that there shall not exist any prohibition at law against Prize making the Offer, taking up and paying for all of the 199 Shares under the Offer, or completing any Second Stage Transaction in respect of any 199 Shares not acquired under the Offer;

(h) there shall not have occurred, (and there shall not have been disclosed to Prize, and Prize shall not have otherwise learned of, if previously not disclosed in writing to Prize by 199) any circumstance or circumstances which, individually or collectively, constitute a Material Adverse Effect on 199 that was not (or were not) disclosed in writing to Prize by 199 prior to the execution of the Agreement and 199 shall deliver an officer's certificate to such effect to Prize, to the best of the knowledge of the officer so certifying the same, dated as of the Effective Time and duly executed by an officer of 199;

(i) there shall be no right, franchise or licence of 199 that has been or may be impaired (which impairment has not been cured or waived) or otherwise adversely affected, whether as a result of the making of the Offer, the taking up and paying for 199 Shares deposited under the Offer or otherwise, which might preclude Prize, acting reasonably, from proceeding with the Offer, taking up and paying for the 199 Shares under the Offer or completing a Second Stage Transaction because such impairment or adverse effect creates a Material Adverse Effect on 199;

(j) no covenant, term or condition of any instrument of 199, or any agreement by which 199 is bound, exists which might preclude Prize from proceeding with the Offer, taking up and paying for the 199 Shares under the Offer or completing a

Second Stage Transaction (including, without limitation, any default, acceleration or other adverse event that may ensue as a result of Prize taking up and paying for the 199 Shares under the Offer or completing a Second Stage Transaction) because such step would create a Material Adverse Effect on Prize or 199;

(k) none of the 199 Shareholders who have entered into Pre-Tender Agreements shall have breached, or failed to comply with any of their covenants contained in the Pre-Tender Agreements; and

(l) the Agreement shall not have been terminated in accordance with its terms.

Non Solicitation, Lock-Up Period and Resale Covenant

Further, Pre-Acquisition Agreement provides, among other things, that 199 is prohibited from soliciting competing acquisition proposals, and the Prize shares issued pursuant to the Offer are subject to resale restrictions and may not be Transferred (as defined below) other than in accordance with the schedule set out below or as may be consented to in writing in advance by Prize:

(a) on the Take-Up Date, ten (10%) percent of the Prize Shares acquired by a 199 Shareholder pursuant to the Offer may be Transferred;

(b) on the date that is six (6) months following the Take-Up Date, an additional fifteen (15%) percent of the Prize Shares acquired by a 199 Shareholder pursuant to the Offer may be Transferred;

(c) on the date that is twelve (12) months following the Take-Up Date, an additional fifteen (15%) percent of the Prize Shares acquired by a 199 Shareholder pursuant to the Offer may be Transferred;

(d) on the date that is eighteen (18) months following the Take-Up Date, an additional fifteen (15%) percent of the Prize Shares acquired by a 199 Shareholder pursuant to the Offer may be Transferred;

(e) on the date that is twenty-four (24) months following the Take-Up Date, an additional fifteen (15%) percent of the Prize Shares acquired by a 199 Shareholder pursuant to the Offer may be Transferred;

(f) on the date that is thirty (30) months following the Take-Up Date, an additional fifteen (15%) percent of the Prize Shares acquired by a 199 Shareholder pursuant to the Offer may be Transferred; and

(g) on the date that is thirty-six (36) months following the Take-Up Date, the remaining fifteen (15%) percent of the Prize Shares acquired by a 199 Shareholder pursuant to the Offer may be Transferred.

The term "Transfer" includes the making or granting of any sale, exchange, assignment, hypothecation, gift, security interest, pledge or other encumbrance, or any contract therefor, any voting trust or other agreement or arrangement with respect to the transfer of voting rights or any other beneficial interest in such securities, the creation of any other claim thereto or any other transfer or disposition whatsoever, whether voluntary or involuntary, affecting the right, title, interest or possession in or to such securities.

Please refer to the Pre-Acquisition Agreement attached to this report as Schedule A.

5.2 **Disclosure for Restructuring Transactions**

Not Applicable.

6. **Reliance on Section 7.1(2) or (3) of National Instrument 51-102**

Not Applicable.

7. **Omitted Information**

None

8. **Executive Officer**

The name of the executive officer of Prize who is knowledgeable about the material change and this report is:

Feisal Somji, Chief Executive Officer
Telephone: 403-236-2222
Email: info@prizemining.com

9. **Date of Report**

February 22, 2017

Schedule "A"

Pre-Acquisition Agreement

[Please see attached]

PRE-ACQUISITION AGREEMENT

Between

PRIZE MINING CORPORATION

and

1994854 ALBERTA LTD.

Dated as of December 23, 2016

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PRE-ACQUISITION AGREEMENT

THIS AGREEMENT made as of December 23·, 2016,

BETWEEN:

PRIZE MINING CORPORATION, a corporation existing under the laws of the Province of Alberta (hereafter referred to as "**Prize**")

\- and -

1994854 ALBERTA LTD., a corporation existing under the laws of the Province of Alberta (hereafter referred to as "**1994854**")

WHEREAS the board of directors of each of Prize and 1994854 has determined that it is in the best interests of their respective corporations that Prize purchase all of the outstanding 1994854 Shares (as defined below);

AND WHEREAS the board of directors of 1994854 has determined to support the Offer (as defined below), on the terms and conditions contained in this Agreement (as defined below), and will unanimously recommend acceptance of the Offer to the 1994854 Shareholders (as defined below), subject to the terms and conditions of this Agreement;

AND WHEREAS the Parties intend for the acquisition of the 1994854 Shares by Prize to constitute an exempt take-over bid pursuant to Section 4.3 of Multilateral Instrument 62-104 – *Take-Over Bids and Issuer Bids* as adopted under Securities Laws (as defined below);

AND WHEREAS Prize is willing to make the Offer subject to the terms and conditions of this Agreement;

NOW THEREFORE IN CONSIDERATION OF the mutual covenants hereinafter contained and other good and valuable consideration (the receipt and adequacy thereof is hereby acknowledged), the Parties agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

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

"**1994854**" means 1994854 Alberta Ltd.;

"**1994854 Financial Statements**" means, collectively, the audited financial statements of 1994854 as at and for the fiscal period ended October 31, 2016, together with the notes thereto;

"**1994854 Governing Documents**" means the articles of incorporation and the by-laws of 1994854;

"**1994854 Nominee**" means David Schmidt, the President and Chief Executive Officer of 1994854 as of the date hereof;

"**1994854 Shareholders**" mean the holders of 1994854 Shares from time to time;

"**1994854 Shares**" means the common shares in the share capital of 1994854, as constituted from time to time;

"**Act**" means the *Business Corporations Act* (Alberta), as the same has been and may hereafter from time to time be amended;

"**affiliates**" has the meaning set forth in the Act;

"**Agreement**", "**this Agreement**", "**herein**", "**hereto**", and "**hereof**" and similar expressions refer to this Agreement, as the same may be amended or supplemented from time to time and, where applicable, to the appropriate Schedules hereto;

"**Apex**" means Apex Resources Inc.;

"**Applicable Laws**" means Securities Laws, rules of applicable stock exchanges (including the Exchange) and the Act, all applicable competition and regulatory laws, including any statute, regulation, by-law, treaty, guideline, directive, rule, standard, requirement, policy, order, judgment, decision, injunction, award, decree or resolution of any Governmental Authority, whether or not having the force of law;

"**Area of Interest**" means the area within one and one half kilometres of the boundaries of the Kena Property as existed on September 23, 2016;

"**Assets**" means all of the assets of 1994854 including, without limitation, the Kena Option;

"**associate**" has the meaning set forth in the Act;

"**Business Day**" means any day excepting a Saturday, Sunday or statutory holiday in Calgary, Alberta;

"**diluted basis**" means, with respect to the number of outstanding 1994854 Shares at any time, such number of outstanding 1994854 Shares calculated assuming that any exercisable or convertible securities of 19948854 are duly exercised or converted, as the case may be;

"**Disclosing Party**" has the meaning ascribed to the term in Section 12.6;

"**Effective Time**" means the time that Prize shall have acquired ownership of and paid for at least the Minimum Required Shares pursuant to the terms of the Offer;

"**Employee Obligations**" means any obligations or liabilities of 1994854 to pay any amount to or on behalf of its officers, directors, consultants or employees, other than for salary, vacation pay and directors' fees in the ordinary course, in each case in amounts consistent with historic practices, and, without limiting the generality of the foregoing, "**Employee Obligations**" shall include the obligations of 1994854 to directors, officers, employees or consultants for retention, severance, termination or bonus payments in connection with a termination of employment or change of control of 1994854 or otherwise pursuant to any written agreements or resolution of the board of directors of 1994854 (or any committee thereof), pension plans or other plans, 1994854's severance, retention, bonus or other policies or otherwise in accordance with Applicable Laws;

"**Encumbrance**" includes, without limitation, any mortgage, pledge, assignment, charge, lien, security interest, claim, trust, royalty or carried, participation, net profits or other third party interests or any agreement, option, right of first refusal, right of privilege (whether by law, contract or otherwise), capable of becoming any of the foregoing;

"**Environment**" means the ambient air, all layers of the atmosphere, surface water, underground water, all land, all living organisms and the interacting natural systems that include components of air, land, water, organic and inorganic matter and living organisms, and includes indoor spaces;

"**Environmental Laws**" means all federal, provincial, municipal or local statutes, regulations, by-laws, environmental permits, orders or rules, and any policies or guidelines of any governmental or regulatory body or agency, and any requirements or obligations arising under the common law, relating to the Environment, the transportation of dangerous goods and occupational health and safety;

"**Environmental Liabilities**" means and extends to any manner, incident or occurrence arising out of, resulting from or attributable to or connected with any liabilities relating to the Environment or Environmental Laws including, without limitation, damage from or removal of hazardous or toxic substances, spills of any nature whatsoever, clean-up, abandonment and reclamation, attributable or relating to the Kena Property or any portion thereof;

"**Exchange**" means the TSX Venture Exchange;

"**Expiry Time**" means the Initial Expiry Time unless the Offer has been or is required to be extended, in which case it means the expiry time of the Offer as extended, or required to be extended, from time to time;

"**Governmental Authority**" includes any federal, provincial, state, municipal or other political subdivision, government department or agency, commission, court, tribunal, ward, bureau, regulatory body or agency or instrumentality, domestic or foreign;

"**IFRS**" means the International Financial Reporting Standards published by the International Accounting Standards Board, as amended from time to time;

"**Information Circular**" has the meaning ascribed thereto in Section 4.2;

"**Initial Expiry Time**" means 12:00 p.m. (Calgary time) on January 31, 2017;

"**Kena Option**" means the option to acquire interests in the Kena Property granted to 1994854 pursuant to the Kena Option Agreement;

"**Kena Option Agreement**" means the option agreement made as of September 23, 2016 between 1994854 and Apex;

"**Kena Property** means collectively 100% undivided interest, in and to 152 mineral tenures that comprise 7,600 hectares of mineral claims known as the Kena Gold Copper Property located in the Nelson Mining Division of British Columbia at Latitude 49 degree 26' North and Longitude 117 degree 17' West and the adjoining 550 hectare mining property known as the Daylight Property comprised of 11 crown grants and 22 mineral claims and tenures located at Latitude 49 degree 26' North and Longitude 117 degree 18' West, collectively referred to as the "Property", which is more particularly described in Schedule B attached hereto;

"**Mailing Date**" means the date the Offer Documents are mailed to 1994854 Shareholders;

"**Material Adverse Change**" or "**Material Adverse Effect**" means, in respect of a Person, any change, effect, event, occurrence or state of facts that is, or could reasonably be expected to be (individually or in the aggregate), material and adverse to the condition (financial or otherwise), properties, assets, liabilities (contingent or otherwise), obligations (whether absolute, accrued, conditional or otherwise), businesses, prospects, operations or results of operations of a Person, but "Material Adverse Change" and "Material Adverse Effect" shall not include a change or effect resulting or arising from: (i) a matter that has prior to the date hereof been publicly disclosed or disclosed in writing to the other Party hereunder; (ii) the announcement of the transactions contemplated by this Agreement; (iii) conditions affecting the mining exploration, development and production industry generally; (iv) general economic, financial, currency exchange, securities or commodity market conditions in North America, including, without limitation, changes in currency exchange rates or in interest rates; (v) changes in the market price of gold or other previous metals; or (vi) any action or inaction taken by a Party to which the other Party to this Agreement has consented in writing, including, without limitation, any change resulting from operational activity of

1994854 authorized by Prize in writing, and where, in the case of (iii), (iv) and (v), such change, effect, event, occurrence or state of facts does not have a disproportionate change or effect on the condition (financial or otherwise), properties, assets, reserves, liabilities (contingent or otherwise), obligations (whether absolute, accrued, conditional or otherwise), businesses, operations or results of operations of a Person as compared to the corresponding effect on corporations and other entities of a similar size engaged in the mineral exploration, development and production industry generally;

"Mineral Rights" means the prospecting licences, mining leases, mineral concessions and other forms of tenure mother rights to minerals, or to work upon lands comprising the Property for the purpose of searching for, developing or extracting minerals under any forms of mineral title recognized under the laws and regulations of British Columbia thereof, whether continental|, statutory or otherwise, or any interest therein;

"**Minimum Condition**" means the condition set forth in paragraph (a) of Schedule A;

"**Minimum Required Shares**" means at least that number of the outstanding 1994854 Shares required pursuant to the Minimum Condition unless Prize shall have waived the Minimum Condition in which case "**Minimum Required Shares**" means that number of the outstanding 1994854 Shares which Prize takes up on the Take-up Date, provided that such number of 1994854 Shares shall not be less than 66 2/3% of the issued and outstanding 1994854 Shares on a diluted basis;

"**Offer Documents**" means the offer to purchase pursuant to which the Offer will be made and related letter of transmittal;

"**Offer**" has the meaning set forth in Subsection 2.1(a);

"**Party**" means Prize or 1994854 as the case may be, and "Parties" means both of them;

"**Person**" includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate group, body corporate, corporation, unincorporated association or organization, governmental entity, syndicate or other entity, whether or not having legal status;

"**Pre-Tender Agreement**" means the form of pre-tender agreement set forth in Schedule C;

"**Prize**" means Prize Mining Corporation;

"**Prize Financial Statements**" means, collectively, the audited financial statements of Prize as at and for the fiscal years ended August 31, 2016 and 2015, together with the notes thereto and the auditors' report thereon, together with the notes thereto;

"**Prize Governing Documents**" means, collectively, the articles of amalgamation of Prize, as amended, and the by laws of Prize;

"**Prize Shares**" means the common shares in the share capital of Prize, as constituted from time to time;

"**Recipient**" has the meaning ascribed to such term in Section 12.6;

"**Representatives**" mean the officers, directors, employees, financial advisors, representatives and agents of a Person;

"**Right of First Refusal**" means a right of first refusal, pre-emptive right of purchase or similar right whereby a Person has the right to acquire or purchase an interest in or portion of the Kena Property or the Kena Option;

"**Second Stage Transaction**" has the meaning set forth in Section 4.1;

"**Securities Authorities**" means the applicable securities commissions or similar regulatory authorities in Canada and each of the provinces and territories thereof;

"**Securities Laws**" means any applicable Canadian provincial and territorial securities laws and the rules, regulations and published policies under or relating to the foregoing securities laws and applicable stock exchange rules and listing policies of the Exchange;

"**subsidiary**" has the meaning set forth in the *Securities Act* (Alberta);

"**Take-over Proposal**" means a proposal or offer (other than by Prize), whether or not subject to a due diligence condition and whether or not in writing, to acquire in any manner, directly or indirectly, beneficial ownership of all or a material portion of the assets of 1994854 or to acquire in any manner, directly or indirectly, beneficial ownership or control or direction over more than 20% of the outstanding voting shares of 1994854 whether by an arrangement, amalgamation, merger, consolidation, joint venture, partnership or other business combination, by means of a recapitalization or sale of shares of 1994854, sale of assets, tender offer or exchange offer or similar transaction involving 1994854 including without limitation any single or multi-step transaction or series of related transactions which is structured to permit such Third Party to acquire beneficial ownership of all or a material portion of the assets of 1994854 or to acquire in any manner, directly or indirectly, more than 20% of the outstanding voting shares of 1994854 (other than the transactions contemplated by this Agreement);

"**Take-up Date**" means the date that Prize first takes up and pays for the 1994854 Shares pursuant to the Offer;

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

"**Tax Returns**" includes all returns, reports, declarations, elections, filings, information returns and statements in respect of Taxes required to be filed under Applicable Laws;

"**Tax**" or "**Taxes**" means all taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, value added, capital, capital gains, alternative net worth, transfer, profits, withholding, payroll, employer health, excise, immovable property and moveable property taxes, and any other taxes, customs duties, fees, assessments or similar charges in the nature of a tax whether direct or indirect including Canada Pension Plan and provincial pension plan contributions and workers compensation premiums, together with any interest, fines and penalties imposed by any Governmental Authority, and whether disputed or not;

"**Third Party**" means any Person other than any of the Parties;

"**Third Party Royalties**" means the royalties set out in Schedule D, hereto;

"**Transferred Information**" has the meaning ascribed to that term in Section 12.6; and

"**U.S. Person**" means a "U.S. person" as that term is defined in Regulation S under the *United States Securities Act of 1933*, as amended.

1.2 Singular, Plural, etc.

Words importing the singular number include the plural and vice versa and words importing gender include the masculine, feminine and neuter genders.

1.3 Deemed Currency

In the absence of a specific designation of any currency any undescribed dollar amount herein shall be deemed to refer to Canadian dollars.

1.4 Headings, etc.

The division of this Agreement into Articles and Sections and the insertion of the recitals and headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement and, unless otherwise stated, all references in this Agreement or in the Schedules to Articles, Sections and Schedules refer to Articles, Sections and Schedules of and to this Agreement or of the Schedules in which such reference is made.

1.5 Date for any Action

In the event that any date on which any action is required to be taken hereunder by any of the Parties hereunder is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.6 Governing Law

This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.

1.7 Attornment

The Parties hereby irrevocably and unconditionally consent to and submit to the courts of the Province of Alberta for any actions, suits or proceedings arising out of or relating to this Agreement or the matters contemplated hereby (and agree not to commence any action, suit or proceeding relating thereto except in such courts) and further agree that service of any process, summons, notice or document by single registered mail to the addresses of the Parties set forth in this Agreement shall be effective service of process for any action, suit or proceeding brought against either Party in such court. The Parties hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the matters contemplated hereby in the courts of the Province of Alberta and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding so brought has been brought in an inconvenient forum.

1.8 Accounting Matters

Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under IFRS and all determinations of an accounting nature required to be made shall be made in a manner consistent with IFRS and past practice.

1.9 Knowledge

Where in this Agreement a representation or warranty is made on the basis of the knowledge or awareness of 1994854 or Prize, such knowledge or awareness consists of the actual knowledge or awareness, as of the date of the representation, of the senior officers of 1994854 or Prize after reasonable inquiry, as applicable. Neither Party has any obligation to make inquiry of Third Parties or the files or records of any Third Party or public authority in connection with any representation or warranty made on the basis of its knowledge or awareness.

1.10 Interpretation Not Affected by Party Drafting

The Parties acknowledge that their respective legal counsel have reviewed and participated in settling the terms of this Agreement, and the Parties hereby agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting Party will not be applicable in the interpretation of this Agreement.

1.11 Include

The words "include" or "including" shall not denote or imply any limitation or restriction.

1.12 Incorporation of Schedules

Schedules A to D attached hereto and described below shall, for all purposes hereof, form an integral part of this Agreement.

Schedule A	Conditions to the Offer
Schedule B	Kena Property
Schedule C	Form of Pre-Tender Agreement
Schedule D	Third Party Royalties

ARTICLE 2
THE OFFER

2.1 The Offer

(a) Subject to the terms and conditions of this Agreement, Prize shall use commercially reasonable efforts to mail (and promptly provide 1994854 copies thereof) to holders of 1994854 Shares by not later than 5:00 pm (Calgary time) on January 13, 2017, or such other date as may be agreed to by Prize and 1994854, an offer to purchase all of the outstanding 1994854 Shares on the basis of one (1) Prize Share for every one (1) 1994854 Share (the "**Offer**"), which term shall include any amendments to, or extensions of, such Offer, including, without limitation, increasing the consideration, removing or waiving any condition or extending the date by which 1994854 Shares may be tendered. The Mailing Date shall be not later than January 20, 2017.

(b) The Offer shall be made in accordance with this Agreement, the Act and Securities Laws and be subject to the conditions set forth in Schedule A hereto. The Parties acknowledge and agree that the Offer will be made to 1994854 Shareholders pursuant to the exemption from formal take-over bids described in Section 4.3 of Multilateral Instrument 62-104 – *Take Over Bids and Issuer Bids* adopted under Securities Laws.

(c) No fractional Prize Shares will be issued. In lieu of any fractional entitlement, the number of Prize Shares issued to each former holder of 1994854 Shares shall be rounded up to the next higher whole number of Prize Shares if the fractional entitlement is equal to or greater than 0.5 and shall, without any additional compensation, be rounded down to the next lesser whole number of Prize Shares if the fractional entitlement is less than 0.5 (subject to only one (1) rounding per holder of 1994854 Shares).

(d) Prize and 1994854 shall cooperate in making, on a timely basis, any required filings with respect to the Offer, including amendments thereafter, as may be required by Securities Laws. The Offer shall be subject to the availability of the take-over bid exemption described in Subsection 2.1(b). Prize shall provide 1994854 with a draft copy of the Offer Documents prior to mailing for its review and comment, and Prize agrees, acting reasonably, to give due consideration to all comments of 1994854 on such Offer

Documents. 1994854 agrees to provide such reasonable assistance as Prize may reasonably request in communicating the Offer Documents (and any amendments or supplements thereto) to the 1994854 Shareholders, including providing Prize with any information pertaining to 1994854 that is reasonably requested by Prize for the completion or review of the Offer Documents, and providing or causing to be provided lists of the holders of 1994854 Shares (including, names, addresses, mailing labels and the number of 1994854 Shares owned) as soon as reasonably practicable following the date of this Agreement so that the Mailing Date may occur by no later than January 13, 2017 or such other date as may be agreed to by Prize and 1994854, acting reasonably, provided such Mailing Date shall be not later than January 20, 2017. Each of Prize and 1994854 shall use all commercially reasonable efforts to consummate the Offer, subject to the terms and conditions thereof and to obtain all regulatory approvals, waivers and consents set out in Schedule A.

(e) The Offer shall expire at the Initial Expiry Time, except that the Offer may be extended, at the sole discretion of Prize, if the conditions thereto set forth in Schedule A hereto are not satisfied on the date and time at which the Offer expires or if Prize determines, acting reasonably, that there is a reasonable prospect that the conditions of the Offer may be satisfied prior to the Expiry Time.

(f) Subject to the satisfaction or waiver of the conditions set forth in Schedule A hereto, Prize shall, no later than 5:00 p.m. (Calgary time) on the Business Day immediately after the Expiry Time, take-up and pay for all 1994854 Shares validly tendered (and not properly withdrawn) pursuant to the Offer.

(g) It is agreed that Prize may, in its sole discretion, waive any term or condition of the Offer for its benefit provided that if Prize takes up and pays for any 1994854 Shares it shall acquire not less than the Minimum Required Shares. Prize agrees that it shall not amend any term or condition of the Offer (which for greater certainty, does not include waiving, in whole or part, a condition of the Offer or any extension of the Expiry Time in a manner that is materially adverse to the holders of 1994854 Shares without the prior written consent of 1994854, other than to:

(i) extend the Offer, if, at the initial or extended date on which the Offer is scheduled to terminate, any of the conditions to the Offer have not been satisfied or waived by Prize, until such time as such conditions are satisfied or waived by Prize;

(ii) extend the Offer for any period required by any rule, regulation, interpretation or position of the Securities Authorities applicable to the Offer or any period required by Applicable Law; or

(iii) comply with the legal obligations of Prize with respect to any amendment, modification or change of the Offer.

Prize further agrees that it shall not amend any term or condition of the Offer to: (i) change the number of 1994854 Shares for which the Offer is made; (ii) decrease or change the form of the consideration offered for each 1994854 Share; or (iii) impose additional conditions to the Offer.

(h) Notwithstanding and without limiting the foregoing, Prize may at any time following the Initial Expiry Time reduce the Minimum Condition to a percentage not less than 66 2/3% and shall, subject to the conditions of the Offer being satisfied or waived, take up and pay for all 1994854 Shares validly deposited to the Offer, provided that, after Prize reduces the Minimum Condition, Prize extends the Offer by a 10 day period. The obligations of Prize referred to in the foregoing sentence shall continue after the Effective Time until such obligation shall have been performed or this Agreement is terminated.

(i) Prize shall provide a draft of any proposed amendment, modification or change to the Offer to 1994854 for its review and comment, which proposed amendment, modification or changes to the Offer shall be acceptable to 1994854, acting reasonably.

(j) Prize will advise 1994854 from time to time, not less frequently than every Business Day until the day immediately prior to the Expiry Time and thereafter on such basis as 1994854 may reasonably request, as to the number of 1994854 Shares that have been tendered (and not withdrawn) under the Offer.

(k) Notwithstanding any of the other terms of this Agreement, Prize shall not be required to make the Offer if, on or before the date Prize would otherwise be required to make the Offer under the terms of this Agreement:

(i) this Agreement has been terminated pursuant to Section 11.1;

(ii) there has been a breach by 1994854 of any representation, warranty or covenant contained in this Agreement which, alone or in combination with other such breaches, would have or would reasonably be expected to have a Material Adverse Effect on 1994854 (and for purposes of this Subsection 2.1(k)(ii) all representations, warranties, and covenants of 1994854 shall be read as if none of them contained any materiality qualifier), provided 1994854 has been given notice of and three (3) Business Days to cure any such breach other than a breach, non-performance or untruth which by its nature is not curable, and in such event, the outside date to make the Offer, as set forth in Subsection 2.1(a), shall be extended by such period;

(iii) there has been a breach of the Kena Option Agreement by either party thereto;

(iv) holders of not less than 50% (calculated on a diluted basis) of the outstanding 1994854 Shares (including all of the directors and officers of 1994854) shall have not yet executed Pre-Tender Agreements in the form attached as Schedule D and such executed Pre-Tender Agreements have not been delivered to Prize;

(v) a Material Adverse Change shall have occurred in respect of 1994854;

(vi) a Person shall have commenced a *bona fide* action for injunctive relief against the performance of this Agreement or the completion of the Offer;

(vii) no law shall have been proposed, enacted, promulgated or applied which would cease trade, enjoin, prohibit or impose material limitations or conditions on Prize making the Offer or taking up or paying for the 1994854 Shares deposited under the Offer or completing a Second Stage Transaction;

(viii) no event, circumstance, occurrence or state of facts (other than an event, circumstance, occurrence or state of facts caused by Prize or any Person acting jointly or in concert with Prize) shall have occurred that would render it impossible or impracticable for any one or more of the conditions set forth in Schedule A to be satisfied;

(ix) 1994854 has not delivered the lists of registered 1994854 Shareholders in accordance with Subsection 2.1(d); or

(x) 1994854 has not provided Prize with the letter to shareholders contemplated by Section 2.2 for mailing to 1994854 Shareholders together with the Offer

Documents, or if such letter to shareholders is not in a form satisfactory to Prize, acting reasonably.

The foregoing conditions are for the sole benefit of Prize and may be waived in whole or in part by Prize at any time.

(l) The Parties agree that 1994854 Shareholders shall have the right to file a joint election with Prize pursuant to Subsection 85(1) or (2) of the Tax Act, depending on their circumstance, in respect of the acquisition of 1994854 Shares by Prize. Upon request from an 1994854 Shareholder, Prize will complete (the portion applicable to Prize) and execute a form T2057 form and T2058 form, as applicable, for the purpose of allowing such 1994854 Shareholder to complete, execute and file the joint election described in this Subsection 2.1(l) with the Canada Revenue Agency. Prize will not be responsible for the contents (other than the portions completed by Prize) or timely filing of any form T2057 or T2058, or the tax consequence to any 1994854 Shareholder of making a tax election under Subsection 85(1) or (2) of the Tax Act.

2.2 1994854 Letter to Shareholders

1994854 hereby consents to the Offer as set forth in Section 2.1 and represents and warrants that the board of directors of 1994854 has unanimously approved the Offer and this Agreement and has unanimously determined that the consideration to be received by 1994854 Shareholders under the Offer is fair, from a financial point of view, to the 1994854 Shareholders, is in the best interests of 1994854 and the 1994854 Shareholders and has unanimously resolved to recommend acceptance of the Offer by 1994854 Shareholders. 1994854 shall prepare and make available for mailing with the Offer Documents sufficient copies of a letter to 1994854 Shareholders prepared in a form acceptable to Prize, acting reasonably. The letter to 1994854 Shareholders will set forth (among other things) the recommendations and determinations including that it has been the determination of the board that the consideration to be received by 1994854 Shareholders under the Offer is fair, from a financial point of view, to the 1994854 Shareholders, is in the best interests of 1994854 and the 1994854 Shareholders of the board of directors of 1994854 as described above, together with a copy of the Fairness Opinion, and will disclose the obligations of the 1994854 Shareholders who have executed Pre-Tender Agreements to, amongst other things, deposit their respective 1994854 Shares pursuant to the Offer. 1994854 shall provide Prize with a draft copy of the letter to 1994854 Shareholders prior to its finalization for Prize's review and comment, and 1994854 agrees, acting reasonably, to give due consideration to all comments of Prize on such letter.

2.3 Lock-Up Period and Resale Covenants

The Prize Shares issued in exchange for the 1994845 Shares pursuant to the Offer will be subject to resale restrictions and may not be Transferred (as defined below) other than in accordance with the schedule set out below or as may be consented to in writing in advance by Prize:

(a) on the Take-Up Date, ten (10%) percent of the Prize Shares acquired by a 1994854 Shareholder pursuant to the Offer may be Transferred;

(b) on the date that is six (6) months following the Take-Up Date, an additional fifteen (15%) percent of the Prize Shares acquired by a 1994854 Shareholder pursuant to the Offer may be Transferred;

(c) on the date that is twelve (12) months following the Take-Up Date, an additional fifteen (15%) percent of the Prize Shares acquired by a 1994854 Shareholder pursuant to the Offer may be Transferred;

(d) on the date that is eighteen (18) months following the Take-Up Date, an additional fifteen (15%) percent of the Prize Shares acquired by a 1994854 Shareholder pursuant to the Offer may be Transferred;

(e) on the date that is twenty-four (24) months following the Take-Up Date, an additional fifteen (15%) percent of the Prize Shares acquired by a 1994854 Shareholder pursuant to the Offer may be Transferred;

(f) on the date that is thirty (30) months following the Take-Up Date, an additional fifteen (15%) percent of the Prize Shares acquired by a 1994854 Shareholder pursuant to the Offer may be Transferred; and

(g) on the date that is thirty-six (36) months following the Take-Up Date, the remaining fifteen (15%) percent of the Prize Shares acquired by a 1994854 Shareholder pursuant to the Offer may be Transferred.

The term "Transfer" includes the making or granting of any sale, exchange, assignment, hypothecation, gift, security interest, pledge or other encumbrance, or any contract therefor, any voting trust or other agreement or arrangement with respect to the transfer of voting rights or any other beneficial interest in such securities, the creation of any other claim thereto or any other transfer or disposition whatsoever, whether voluntary or involuntary, affecting the right, title, interest or possession in or to such securities.

The certificates representing the Prize Shares will be endorsed by a legend, if applicable, stating that the Prize Shares will be subject to the restrictions on Transfer set out above.

2.4 1994854 Personnel

The engagement of all officers of 1994854, and the services of all consultants of 1994854, if any, shall be terminated at the Effective Time, and such personnel have executed a full and final mutual release with 1994854, in a form satisfactory to Prize acting reasonably).

2.5 1994854 Board of Directors

The board of directors of 1994854, immediately following the Take-up Date, shall be reconstituted through resignations of all existing 1994854 directors and the appointment of Prize nominees in their stead. 1994854 shall, in accordance with the foregoing and subject to the provisions of the Act, assist Prize to secure the resignations of all 1994854 directors to be effective at such time as may be required by Prize and to use all reasonable efforts to cause the election of the Prize nominees to fill the vacancies so created in order to effect the foregoing without the necessity of a 1994854 Shareholder meeting, or unanimous written shareholder resolution. Prize and 1994854 shall provide mutual releases as between each resigning director and 1994854 in a mutually agreeable form.

2.6 Prize Board of Directors

At the Effective Time, David Schmidt shall be appointed as a director of Prize.

ARTICLE 3
PUBLICITY

3.1 Publicity

Prize shall reasonably advise, consult and cooperate with 1994854 prior to issuing, or permitting any of its directors, officers, employees or agents to issue any press release or other written statement to the public, the press or shareholders with respect to this Agreement or the transactions contemplated hereby. Prize shall not issue any such press release or make any such public statement prior to such consultation, except as may be required by Applicable Laws or by obligations pursuant to any listing agreement with a stock exchange and only after using its reasonable commercial efforts to consult with 1994854 taking into account the time constraints to which it is subject as a result of such law or obligation. 1994854 shall make no public disclosure of any kind regarding this Agreement or the Offer, except as otherwise expressly permitted by this Agreement and except as may be required by Applicable Laws and only after using its reasonable commercial efforts to consult with Prize taking into account the time constraints to which it is subject as a result of such law or obligation.

ARTICLE 4
TRANSACTIONS FOLLOWING COMPLETION OF THE OFFER

4.1 Second Stage Transaction

If Prize takes up and pays for 1994854 Shares pursuant to the terms of the Offer, and thereby acquires at least the Minimum Required Shares, Prize agrees to use all commercially reasonable efforts to acquire, and 1994854 agrees to use all commercially reasonable efforts to assist Prize in acquiring, the balance of the 1994854 Shares by way of the compulsory acquisition procedures set forth in the Act, a statutory arrangement, amalgamation, merger, reorganization, consolidation, recapitalization or other type of acquisition transaction or transactions (collectively, a "**Second Stage Transaction**") carried out for consideration per 1994854 Share not less than the consideration paid pursuant to the Offer (it being understood that Prize shall be under no obligation to pay more than that amount). Nothing herein shall be construed to prevent Prize from acquiring, directly or indirectly, additional 1994854 Shares in privately negotiated transactions, in another take-over bid, tender or exchange offer, or otherwise in accordance with Securities Laws (including by way of compulsory acquisition) following completion of the Offer.

4.2 Information Circular

Without limiting Section 4.1, 1994854 agrees that if Prize is required to effect a Second Stage Transaction which requires approval of the 1994854 Shareholders at a meeting of 1994854 Shareholders, 1994854 shall take all action necessary in accordance with Securities Laws, other Applicable Laws in Canada and the 1994854 Governing Documents to duly call, give notice of, convene and hold a meeting of the 1994854 Shareholders as promptly as practicable to consider and vote upon the action proposed by Prize. In the event of such a meeting or meetings, 1994854 shall use all commercially reasonable efforts to mail to the 1994854 Shareholders an Information Circular with respect to the meeting of the 1994854 Shareholders. The term "**Information Circular**" shall mean such proxy or other required informational statement or circular, as the case may be, and all related materials at the time required to be mailed to the 1994854 Shareholders and all amendments or supplements thereto, if any. Prize and 1994854 each shall use all commercially reasonable efforts to obtain and furnish the information required to be included in any Information Circular. The information provided and to be provided by Prize and 1994854 for use in the Information Circular, on both the date the Information Circular is first mailed to the 1994854 Shareholders and on the date any such meeting is held, shall not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading and will comply in all material respects with all requirements of Applicable Laws. Prize and 1994854 each agree to correct promptly any such information provided by it for use in any Information Circular which shall have become false or misleading.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF PRIZE

5.1 Representations and Warranties

As of the date hereof, Prize hereby represents and warrants to 1994854 as follows and acknowledges that 1994854 is relying upon these representations and warranties in connection with the entering into of this Agreement:

(a) Prize is, and at the Effective Time shall continue to be, a corporation duly incorporated under its jurisdiction of incorporation, validly existing, and is in good standing under the laws of Alberta;

(b) to the knowledge of Prize, Prize has obtained and is in compliance with all licenses, permits, certificates, consents and other authorizations (including in connection with Environmental Laws) from any Governmental Authority necessary in connection with the business of Prize except where the failure to obtain or be in compliance would not have a Material Adverse Effect on Prize or its business and such licenses, permits, certificates, consents and other authorizations are in full force and effect in accordance with their terms;

(c) Prize has all requisite corporate power and authority to execute and deliver this Agreement and to purchase and pay for the 1994854 Shares on the terms described herein and to perform the other obligations of Prize under this Agreement;

(d) except as disclosed in the Prize public record, the business of Prize has been carried on in the normal course, in accordance with generally accepted industry practice and in material compliance with all Applicable Laws since incorporation;

(e) all necessary corporate action has been taken by Prize to authorize the execution and delivery by Prize of this Agreement and all other agreements and instruments contemplated by this Agreement;

(f) the execution and delivery of this Agreement and each and every agreement or document to be executed and delivered by Prize hereunder and the consummation by Prize of the transactions contemplated herein will not violate, nor be in conflict with, any provision of any agreement or instrument to which Prize is a party or is bound, or any judgment, decree, order, statute, rule or regulation applicable to Prize or the Prize Governing Documents, except to the extent such violation or conflict would not have a Material Adverse Effect on Prize or materially impede Prize's ability to consummate the transactions contemplated herein;

(g) this Agreement has been duly executed and delivered by Prize and all documents required hereunder to be executed and delivered by Prize shall be duly executed and delivered and this Agreement does, and such documents will, constitute legal, valid and binding obligations of Prize enforceable against Prize in accordance with their respective terms, subject to bankruptcy, insolvency, preference, reorganization, moratorium and other similar laws affecting creditors' rights generally and the discretion of courts with respect to equitable and discretionary remedies and defences;

(h) the Prize Shares to be issued hereunder, when issued, shall be fully paid and non-assessable and shall be freely trading and not subject to any hold period or legend pursuant to Securities Laws, subject to the contractual trading restrictions contemplated by the Pre-Tender Agreements and any restrictions that may be imposed by the Exchange;

(i) since August 31, 2016, no material liabilities or obligations have been incurred or authorized by Prize other than as publicly disclosed by Prize;

(j) other than indemnification of directors and officers pursuant to indemnity agreements with such individuals and in accordance with the by-laws of Prize and Applicable Laws and other than in favour of agents or underwriters in connection with issuances of securities and indemnities provided in the ordinary course of business, Prize is not a party to any agreement of guarantee, indemnification or assumption of the obligations of a Third

Party, or other like commitment, including endorsements or other contingent liabilities, other than as disclosed in the Prize Financial Statements;

(k) all publicly available documents and information filed by Prize with the applicable Securities Authorities complied in all material respects with all applicable requirements of Securities Laws and did not contain, at the respective date of such document or information, any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, unless such document or information was subsequently corrected, re-filed or superseded prior to the date hereof;

(l) Prize is a reporting issuer or its equivalent in the provinces of Alberta and British Columbia;

(m) no Securities Authority has issued or its equivalent any order preventing or suspending trading of any securities of Prize and Prize is not in default of any requirement of Securities Laws that would materially impede Prize's ability to consummate the transactions contemplated herein;

(n) Prize is in compliance, in all material respects, with the policies and regulations of the Exchange;

(o) there are no actions, suits or other legal, administrative or arbitration proceedings or government investigations, actual or, to the best of the knowledge, information and belief of Prize, threatened, which might reasonably be expected to result in a Material Adverse Effect on Prize or materially impede Prize's ability to consummate the transactions contemplated hereby and there is no particular circumstance, matter or thing known to Prize which could reasonably be anticipated to give rise to any such action, suit or other legal, administrative or arbitration proceeding or government investigation; and

(p) the Prize Financial Statements have been prepared in accordance with IFRS and present fairly the assets and liabilities of Prize as at their date, and include all material liabilities as at their date, and there has not been any Material Adverse Change of Prize since such date, other than as disclosed in the public record of Prize or in connection with the transactions contemplated herein.

5.2 Investigation

Any investigation by 1994854 and its advisors shall not mitigate, diminish or effect the representations and warranties of Prize provided pursuant to this Agreement.

5.3 Confirmation

On the Take-up Date, Prize will provide a certificate of an officer confirming the representations and warranties made in this Agreement, as though they were made effective as of the Take-up Date, subject to any exceptions as may be applicable.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF 1994854

6.1 Representations and Warranties

As of the date hereof, 1994854 hereby represents and warrants to Prize as follows and acknowledges that Prize is relying upon these representations and warranties in connection with the entering into of this Agreement:

(a) 1994854 is a corporation duly incorporated and validly subsisting under its jurisdiction of incorporation and has the corporate power to own or lease its property, including the Assets, and 1994854 is duly registered to carry on business in British Columbia;

(b) 1994845 has not carried on any business activities since its incorporation other than the negotiation and execution of the Kena Option Agreement;

(c) as of the date hereof, the authorized share capital of 1994854 consists of an unlimited number of 1994854 Shares and an unlimited number of preferred shares, issuable in series, of which only 28,525,000 1994854 Shares and no preferred shares are issued and outstanding, other than 1,125,000 1994854 Shares issuable pursuant to the Kena Option Agreement, there are no options, warrants or other rights, agreements or commitments of any character whatsoever requiring the issuance, sale or transfer by 1994854 of any shares of 1994854 (including the 1994854 Shares) or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any shares of 1994854 (including the 1994854 Shares) outstanding, nor are there any outstanding stock appreciation rights, phantom equity or similar rights, agreements, arrangements or commitments based upon the book value, income or other attributes of 1994854. All outstanding 1994854 Shares have been duly authorized and validly issued, are fully paid and non-assessable and are not subject to, nor were they issued in violation of, any pre-emptive rights;

(d) neither 1994854 nor, to 1994854's knowledge, any of its shareholders, act in concert or is a party to any unanimous shareholders agreement, commitment, understanding, pooling agreement, voting trust or other similar type of arrangement, written or unwritten, in respect of outstanding securities of 1994854 or in respect of the Prize Shares received in exchange for such 1994854 Shares pursuant to the Offer;

(e) to the knowledge of 1994854, none of the respective 1994854 Shareholders act in concert with any other person in respect of the such person’s 1994854’s Shares and/or the Prize Shares received in exchange for such 1994854 Shares pursuant to the Offer;

(f) 1994854 has the requisite corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder;

(g) all necessary corporate action has been taken by 1994854 to authorize the execution and delivery of this Agreement by it and all other agreements and instruments contemplated by this Agreement;

(h) this Agreement has been duly executed and delivered by 1994854 and all documents required hereunder to be executed and delivered by 1994854 shall have been duly executed and delivered and this Agreement does, and such documents will, constitute legal, valid and binding obligations of 1994854 enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, preference, reorganization, moratorium and other similar laws affecting creditors' rights generally and the discretion of courts with respect to equitable and discretionary remedies and defences;

(i) the execution and delivery of this Agreement and each and every agreement or document to be executed and delivered hereunder by 1994854 and the consummation of transactions contemplated herein will not violate nor be in conflict with any provision of any material agreement or instrument to which 1994854 is a party or is bound or any judgment, decree, order, statute, rule or regulation applicable to 1994854 or of the 1994854 Governing Documents, except to the extent that such violation or conflict will not have a Material Adverse Effect on 1994854 or materially impede 1994854's ability to consummate the transactions contemplated hereby;

(j) 1994854 has no subsidiary corporations or partnerships, and owns no shares, securities or other interests of any other entity and 1994854 is not a party to any joint venture or partnership agreement, other than joint operating agreements entered into in the ordinary course of business;

(k) since its incorporation, 1994854 has not paid, declared or authorized any dividends or other distributions in respect of the outstanding 1994854 Shares or any other securities of 1994854;

(l) 1994854 has made available to Prize for inspection and reproduction all documents, information and records in the possession or control of 1994854 pertaining to 1994854, the Assets and the Kena Property and has not withheld any documents, information or records that would be relevant to Prize with respect to the matters contemplated under this Agreement;

(m) the only material contracts of 1994854 is the Kena Option Agreement; for the purpose of this Agreement, "material contracts" shall include all contracts, agreements or commitments, whether oral or written, to which 1994854 is a party or by which it is bound that (i) may reasonably be expected to result in, a requirement of 1994854 to expend more than an aggregate of $100,000, or receive or be entitled to receive revenue of more than $100,000 in either case in the next 12 months; (ii) may reasonably be expected to have an effect on the value of the total assets of 1994854 in an amount in excess of $100,000; or (iii) is out of the ordinary course of business of 1994854.

(n) 1994854 has no obligations or liabilities, direct or indirect, vested or contingent in respect of any rate swap transactions, basis swaps, forward rate transactions, commodity swaps, commodity options, equity or equity index swaps, equity or equity index options, bond options, interest rate options, foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, production sales transactions or any other similar transactions (including any option with respect to any of such transactions) or any combination of such transactions;

(o) to the knowledge of 1994854, the minute book of 1994854 contains copies of all minutes of all meetings and the consent resolutions of the directors, committees of directors and shareholders of 1994854 and the registers therein are current, true and correct and all such meetings were duly called and properly held and all such consent resolutions were properly adopted;

(p) since incorporation, no material liabilities or obligations have been incurred or authorized by 1994854 other than pursuant to the Kena Option Agreement;

(q) 1994854 has never had any employees;

(r) 1994854 has no outstanding liabilities to any consultants;

(s) 1994854 is not a party to any agreement of guarantee, indemnification or assumption of the obligations of a Third Party, or other like commitment, including endorsements or other contingent liabilities other than pursuant to the Kena Option Agreement;

(t) as of the date hereof and at the Effective Time, no director, officer or other non-arm's length party of 1994854 is or will be indebted to 1994854 and 1994854 is not and will not be indebted to any director, officer or other non-arm's length party of 1994854;

(u) 1994854 is not a reporting issuer or its equivalent in any jurisdiction;

(v) there is not a published market in respect of the 1994854 Shares or any other securities of 1994854;

(w) there are no actions, suits or other legal, administrative or arbitration proceedings or government investigations, actual or, to 1994854's knowledge, threatened, involving 1994854 and there is no particular circumstance, matter or thing known to 1994854 which could reasonably be anticipated to give rise to any such action, suit or other legal, administrative or arbitration proceeding or government investigation;

(x) there are no outstanding joint venture audits, actual or, to the knowledge of 1994854, threatened, in respect of the Kena Property;

(y) the 1994854 Financial Statements have been prepared in accordance with IFRS in all material respects and present fairly the assets and liabilities of 1994854 as at their date, and include all material liabilities as at their date, and there has not been any Material Adverse Change in respect of 1994854 since such date, other than in connection with the transactions contemplated herein;

(z) to the extent required by the Tax Act, 1994854 has paid, has made timely installments in respect thereof or has sufficient reserves in its accounts for all Taxes exigible from it or for the collection of which it is responsible under the laws of Canada or any other jurisdiction, in the case of Taxes on income, in respect of all fiscal years ended since its incorporation and adequate provision has been made on the books of 1994854 for Taxes payable for the current period for which Tax Returns are not yet required to be filed, and 1994854 is not a party to any action or proceeding for assessment or collection of Taxes, nor, to the knowledge of 1994854, has such an event been asserted or threatened against 1994854 or the Assets, and to 1994854's knowledge, no audit by tax authorities of 1994854 is in process, pending or threatened;

(aa) to the extent required by the Tax Act, 1994854 has duly and timely (i) filed all Tax Returns required to be filed by it prior to the date hereof and, to 1994854's knowledge, such Tax Returns are true, complete and accurate, (ii) paid all Taxes (including installments) due and payable by it prior to the date hereof and (iii) collected or withheld and remitted to the appropriate government authority all Taxes required to be withheld by it. There are no actions, audits assessments, reassessments, investigations or claims in respect of Taxes now subsisting against 1994854, nor, to 1994854's knowledge, is there any claim, demand, lawsuit, procedure, arbitration or governmental proceeding or investigation in respect of Taxes threatened or pending by any Governmental Authority against 1994854;

(bb) 1994854 does not have any outstanding obligations to incur and/or renounce any Canadian exploration expenditures or Canadian development expenditures to any purchaser of 1994854 Shares or other securities of 1994854 that have not yet been fully and validly expended and renounced;

(cc) 1994854 has not entered into any agreement, waiver or other arrangement with any Governmental Authority respecting Taxes payable by it or Tax Returns required to be filed by it;

(dd) 1994854 is not now a party to any bonus, pension, profit sharing, deferred compensation, retirement, hospitalization insurance, medical insurance or similar plan or practice, formal or informal, in effect with respect to any employees, consultants or others;

(ee) the transactions contemplated under this Agreement will not result in any amounts being payable by 1994854 pursuant to 1994854's severance policy or pursuant to any obligation of 1994854 to pay any amount to its officers or directors (including but not limited to any bonus amounts) on the change of control of 1994854 and the service to 1994854 of all of the directors or officers of 1994854 may be terminated at the Effective Time without notice (or such notice period will be satisfied at the Effective Time) to such Person and 1994854 will have no obligation to pay such Persons any payments or other compensation under any contract settlements, bonus plans, retention agreements, employment agreements, change of control agreements, or severance obligations arising pursuant to any Applicable Laws;

(ff) 1994854 has not incurred any obligation or liability, contingent or otherwise, for brokers' or finders' fees, financial advisors' fees, legal fees, engineering fees and other expenses in respect of this transaction for which Prize or 1994854 following the Effective Time shall have any obligation;

(gg) 1994854 is not in breach of the Kena Option Agreement and the Kena Option Agreement is in good standing;

(hh) to the knowledge of 1994854, Apex is not in breach of the Kena Option Agreement;

(ii) 1994854 has not received notice of and is not otherwise aware of any default or non-compliance with any Applicable Laws by 1994854, whereby such default or non-compliance would have a Material Adverse Effect on 1994854, its Assets or the Property;

(jj) 1994854 is not aware of any Environmental Liabilities which would require any material expenditures on the part of Prize or 1994854 after the Effective Time, other than those expenditures made in the ordinary course of business to abandon and reclaim the Kena Property;

(kk) except as identified in the Kena Option Agreement, there are no areas of mutual interest or areas of exclusion applicable to 1994854 or the Assets that will remain in effect as of the Effective Time or after the Effective Time and 1994854 has fully complied with and has not breached any of the terms of any areas of mutual interest or areas of exclusion that are or have been applicable to 1994854 or the Kena Property;

(ll) except as set forth in Kena Option Agreement, to 1994854's knowledge, the Assets and the Kena Property are not subject to any Rights of First Refusal;

(mm) neither 1994854 nor Apex has received:

(i) any orders or directives under any Environmental Laws in respect of any Environmental Liabilities on the Kena Property which requires any work, repairs, construction or capital expenditures by 1994854 which have not been fully complied with in all material respects as of the date hereof; and

(ii) any notice under any Environmental Laws with respect to a breach thereof related to 1994854 or the Kena Property from any Third Party alleging any Environmental Liabilities which have not been rectified or cured in all material respects as of the date hereof,

and to 1994854's knowledge, no particular circumstance exists that may reasonably be expected give rise to any of the foregoing;

(nn) although 1994854 does not warrant title to the Kena Property, 1994854 does not have any reason to believe that Apex does not have good title and ownership to all its interests in the Kena Property and the Kena Property is free and clear of all Encumbrances, royalties, burdens, production payments, profits, interests and adverse claims whatsoever created by, through or under Apex or 1994854;

(oo) 1994854 has not received any notice of default relating to any of the Assets which has not been remedied or waived and, to the knowledge of 1994854, the material contracts to which 1994854 is a party is in full force and effect in accordance with the terms thereof and there have been paid within applicable time limits all relevant deposits, rentals and royalties and there have been performed and observed all obligations and covenants required to keep all Kena Option in full force and effect;

(pp) there is no non-competition, exclusivity or other similar agreement, commitment or understanding in place to which 1994854 is a party or by which it is otherwise bound that would now or hereafter in any way limit the business or operations of 1994854 in a particular manner or to a particular locality or geographic region or for a limited period of time, and the execution, delivery and performance of this Agreement does not and will not result in the restriction of 1994854 from engaging in its business or from competing with any Person or in any geographic area;

(qq) to the knowledge of 1994854, all 1994854 Shareholders are not non-residents of Canada for the purposes of the Tax Act;

(rr) subject only to the Third Party Royalties, Apex is the owner of a 100% undivided registered (whether registered in the name of a previous owner, under its current name, or a prior name with appropriate name change and transfer documents to be filed for processing) and beneficial ownership interest in and to the Property and, save for any rights granted to the Optionee pursuant to this Agreement, is in exclusive possession thereof;

(ss) each of the Mineral Rights comprising the Kena Property:

(i) is fully and accurately described in all material respects in Schedule B and neither Apex nor any of its affiliates has an interest in any other Mineral Rights or surface rights or other assets which are located wholly or in part within the Area of Interest related to the Kena Property;

(ii) is in good standing under the applicable laws, including the incurring of expenditures and the payment of surface taxes or other monies up to the expiry dates shown in Schedule B;

(iii) has been duly and validly staked or otherwise properly and legally acquired by Apex in accordance with the laws and regulations of British Columbia; and

(iv) Apex is in exclusive possession of such Mineral Rights, save for any rights granted to 19948854 pursuant to the Kena Option Agreement;

(tt) the licenses, consents and permits held by Apex in connection with the Kena Property are described in Schedule B and all such licenses, consents and permits have been complied with by Apex and remain in full force and effect;

(uu) there are no outstanding agreements or options to acquire or purchase any of the Mineral Rights comprised in the Kena Property held by any person, no person has any royalty or other interest whatsoever in production therefrom, other than the Third Party Royalties, and there are no adverse claims or challenges against or to the ownership of or title to any of the Mineral Rights described in Schedule B, nor to the best of its knowledge is there any basis therefor;

(vv) neither 19948854 nor Apex have received notice of and has no knowledge of any proposal to terminate or vary the terms of or rights attaching to any of the Mineral Rights described in Schedule B from any government or other regulatory authority;

(ww) to the best of the knowledge of 19948854, there are no adverse claims or challenges of any kind whatsoever, including without limitation, claims or challenges by local, native or aboriginal peoples or other third parties, against or to the ownership of, or title to, the Kena Property, nor is there any basis therefore;

(xx) neither 19948854 nor, to the best of its knowledge, any other person, has directly or indirectly caused, permitted or allowed any hazardous substances to be released, discharged, placed, escaped, leached or disposed of on, into, under or through the Kena Property or nearby areas, except as would not be reasonably expected to have a material adverse impact on the Kena Property, and, so far as 19948854 is aware, no hazardous substances or underground storage tanks are contained or otherwise present in or upon such lands (including watercourses), except as would not be reasonably expected to have a material adverse impact on the Kena Property;

(yy) there are no orders or directions relating to environmental matters requiring any reclamation, work, repairs, construction or capital expenditures with respect to any of the Kena Property or the conduct of the business related thereto, nor to the best of its knowledge have any activities on the Kena Property been in violation of any environmental law, regulations or regulatory prohibition or order in any material respect, and conditions on and relating to the Kena Property are in material compliance with such laws, regulations, prohibitions and orders;

(zz) Apex is legally entitled to hold the Kena Property and has good and sufficient right and authority to transfer the interests in the Kena Property pursuant to the Kena Option Agreement;

(aaa) 1994845 has conducted on activities on the Kena Property other than its due diligence review which was completed prior to the execution of the Kena Option Agreement;

(bbb) to the best of the knowledge of 19948854, the activities of Apex and 19948854 directly or indirectly relating to the Kena Property and its use of the Kena Property have been in material compliance with all laws and regulations of British Columbia;

(ccc) Apex and 19948854 have complied with all governmental rules and regulations, including Environmental Laws and the filing of all required assessment work pertaining to the Kena Property, and that the Kena Property is valid and subsisting and in good standing under all applicable laws, including the Environmental Laws;

(ddd) the Kena Property is free and clear of all Encumbrances of any kind whatsoever;

(eee) to the knowledge of 1994845, there are no pending or threatened actions, suits, claims or proceedings affecting the Kena Property;

(fff) 19948854 has not entered into any agreements in respect of the Kena Property save for the Kena Option Agreement;

(ggg) all taxes, rates and assessments owing on the Kena Property have been paid and discharged in full; and

(hhh) all rules, regulations and orders relating to the Kena Property or the Environmental Laws have been complied with.

6.2 Investigation

Any investigation by Prize and its advisors shall not mitigate, diminish or effect the representations and warranties of 1994854 provided pursuant to this Agreement.

6.3 Confirmation

On the Take-up Date, 1994854 will provide a certificate of an officer confirming the representations and warranties made in this Agreement as though they were made effective as of the Take-up Date, subject to any exceptions as may be applicable.

ARTICLE 7
COVENANTS BY 1994854

7.1 Conduct of Business by 1994854

Unless:

(i) Prize shall otherwise agree in writing;

(ii) an action is required by Applicable Laws; or

(iii) an action is expressly permitted or specifically contemplated by this Agreement,

1994854 covenants and agrees that, during the period from the date of this Agreement until the earlier of either the Take-up Date or the termination of this Agreement by its terms:

Maintenance of Assets

(a) the business shall be conducted only in (and 1994854 shall not take any action except in) the ordinary course of business, consistent with past practice and with normal mining exploration and development industry practice, and 1994854 shall use all commercially reasonable efforts to maintain and preserve its business organization, corporate assets, the Kena Option and advantageous business relationships;

Prohibition

(b) 1994854 shall not (directly or indirectly):

  (i) amend the 1994854 Governing Documents;

  (ii) amend or terminate the Kena Option Agreement;

  (iii) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of its securities;

  (iv) issue, grant, sell or pledge or agree to issue, grant, sell or pledge any securities or securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, 1994854 Shares;

  (v) redeem, purchase or otherwise acquire any of its securities;

  (vi) split, combine or reclassify any of its securities;

(vii) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization;

(viii) enter into any non-arm's length transactions including with any officers or directors of 1994854 or transfer any property or assets of 1994854 to any such Person except as contemplated herein;

(ix) hire any employees or retain any new consultants, directors or officers;

(x) adopt or make any contribution to any plan, agreement, trust, fund or arrangements for the benefit of any officers or directors;

(xi) authorize, recommend or propose any release or relinquishment of any material contract right;

(xii) acquire (by merger, amalgamation, consolidation, acquisition of shares or assets or otherwise) any corporation, partnership or other business organization or division thereof, or make any investment therein either by purchase of shares or securities, contributions of capital or property transfer;

(xiii) sell, pledge, transfer, dispose of or encumber any of the Assets or the Kena Property;

(xiv) acquire any assets;

(xv) incur any indebtedness for borrowed money;

(xvi) incur any other material liability or obligation;

(xvii) issue any debt securities or assume, guarantee, endorse or otherwise become responsible for, the obligations of any other individual or entity, or make any loans or advances;

(xviii) enter into commitments of a capital expenditure nature or incur any contingent liability;

(xix) authorize or propose any of the foregoing, or enter into or modify any contract, agreement, commitment or arrangement to do any of the foregoing; or

(xx) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing;

(c) 1994854 shall not grant to any officer or director any increase in compensation in any form (including bonuses), make any loan to any officer or director, or take any action other than as permitted herein with respect to the grant of any severance or termination pay arising from the Offer or a change of control of 1994854 or the entering into of any employment agreement with, any employee, officer or director, or with respect to any increase of benefits payable under its current severance or termination pay policies; and

(d) 1994854 shall not adopt or amend or make any contribution to any bonus, profit sharing, option, pension, retirement, deferred compensation, insurance, incentive compensation, other compensation or other similar plan, agreement, trust, fund or arrangements for the benefit of any officer or director, except as is necessary to comply with the law or with respect to existing provisions of any such plans, programs, arrangements or agreements.

7.2 Provision of Information and Access

Upon execution of this Agreement, 1994854 shall provide to Prize such information as Prize may reasonably request to enable Prize to quickly and efficiently integrate the business of 1994854 with Prize at, but not prior to, the Effective Time and confirm 1994854's compliance with the representations, warranties and covenants of 1994854 described herein and 1994854 shall permit as reasonably requested by Prize from time to time:

(a) Prize and its representatives to have reasonable access during normal business hours to 1994854's sites, field operations, records, computer systems, properties, books, contracts, records, employees and management personnel; and

(b) Prize and its representatives to be informed of the operations of 1994854 to ensure compliance with Section 7.1.

It is acknowledged that the purpose of this clause is to permit Prize to be in a position to expeditiously integrate the business with that of Prize immediately upon but not prior to, the Effective Time and confirm 1994854's compliance with the representations, warranties and covenants of 1994854 described herein without causing any unreasonable disruptions to the business prior to the Effective Time. It is further acknowledged that any damages suffered by Prize's Representatives as a result of taking advantage of such access shall be at the risk of Prize, or its Representatives, as applicable (other than in the case of the negligence or wilful misconduct of 1994854 or its Representatives).

7.3 Confirmation

On the Take-up Date, 1994854 will provide a certificate of an officer confirming the covenants made in this Agreement by 1994854 have been performed or complied with in all respects.

ARTICLE 8
ADDITIONAL COVENANTS OF 1994854

8.1 Notice of Material Adverse Effect

From the date hereof until the termination of this Agreement, 1994854 shall promptly notify Prize in writing of:

(a) any matter which would give rise to a Material Adverse Effect in respect of 1994854, or a material breach of 1994854's representations, warranties or covenants herein;

(b) any correspondence or other information received by it in respect of the Kena Property, or the Kena Option Agreement;

(c) any change in any representation or warranty set forth in Article 6 which change is or may be of such a nature as to render any such representation or warranty misleading or untrue in a material respect; or

(d) any material fact in respect of 1994854 which arises and which would have been required to be stated herein had the fact arisen on or prior to the date of this Agreement.

1994854 shall in good faith discuss with Prize any change in circumstances (actual, anticipated, contemplated or, to the knowledge of 1994854, threatened, financial or otherwise) which is of such a nature that there may be a reasonable question as to whether notice needs to be given to Prize pursuant to this Section 8.1.

8.2 No Solicitation

(a) 1994854 and its Representatives shall immediately cease and cause to be terminated any existing solicitation, initiation, encouragement, activity, discussion or negotiation with any Third Parties conducted heretofore by 1994854 or its Representatives with respect to a Take-over Proposal whether or not initiated by 1994854 and in connection therewith, 1994854 and its Representatives shall not release any Third Party from any confidentiality or standstill agreement to which 1994854 and such Third Party is a party or amend any of the foregoing and shall exercise all rights to require the return or destruction of information regarding 1994854. From and after the date hereof, 1994854 will not, and will not authorize or permit any of its Representatives to, directly or indirectly,

(i) solicit, initiate, encourage or knowingly facilitate (including by way of furnishing information) any Take-over Proposal;

(ii) enter into or participate in or take any other action to facilitate any inquiries or the making of any proposal which constitutes or may reasonably be expected to lead to a Take-over Proposal from any Person;

(iii) engage in any discussions, negotiations or inquiries relating thereto or accept, recommend, approve or enter into an agreement, arrangement or understanding to implement any Take-over Proposal; or

(iv) take any action which would result in any of the foregoing;

(b) 1994854 shall ensure that Representatives of 1994854 are aware of the provisions of this Section 8.2. 1994854 shall be jointly and severally responsible for any breach of this Section 8.2 by Representatives of 1994854.

8.3 Financial and Other Information

1994854 shall make available to Prize, and consents to the use of, the 1994854 Financial Statements and other information (not including financial information prepared in accordance with IFRS) of 1994854 which may be required to be disclosed in the Offer or in other Prize documents, including any management information circular, prospectus or business acquisition report of Prize, and amendments thereto, as required under Applicable Laws. 1994854 shall use all reasonable commercial efforts to have its auditors, to the extent required under Applicable Laws, provide their consent to the use of its report and the use of their names in connection with any disclosure by Prize of the 1994854 Financial Statements.

ARTICLE 9
COVENANTS OF PRIZE

9.1 Conduct of Business by Prize

Unless:

(i) 1994854 shall otherwise agree in writing;

(ii) an action is required by Applicable Laws; or

(iii) an action is expressly permitted or specifically contemplated by this Agreement,

Prize covenants and agrees that, during the period from the date of this Agreement until the earlier of either the Take-up Date or the termination of this Agreement by its terms:

Prohibition

(a) Prize shall not (directly or indirectly):

(i) declare, set aside or pay any dividends or other distribution or payment (whether in cash, shares or property) in respect of its securities;

(ii) split, combine or reclassify the Prize Shares; or

(iii) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization; and

Ordinary Course Operations

(b) Prize shall continue to operate its business and affairs in the normal course of business, consistent with past practices.

9.2 Exchange Listing

Prize covenants and agrees that it will use commercially reasonable efforts to obtain conditional listing approval from the Exchange for the Prize Shares issuable under the Offer prior to the Take-up Date.

9.3 Notice of Material Adverse Effect

Prize covenants and agrees that, from and including the date hereof until the termination of this Agreement, unless 1994854 agrees otherwise in writing, Prize shall promptly notify 1994854 in writing of:

(a) any matter which would give rise to a Material Adverse Effect in respect of Prize, or a material breach of Prize's representations, warranties or covenants herein;

(b) any change in any representation or warranty set forth in Article 5 which change is or may be of such a nature as to render any such representation or warranty misleading or untrue in any material respect; or

(c) any material fact in respect of Prize which arises and which would have been required to be stated herein had the fact arisen on or prior to the date of this Agreement.

Prize shall in good faith discuss with 1994854 any change in circumstances (actual, anticipated, contemplated or, to the knowledge of Prize, threatened, financial or otherwise) which is of such a nature that there may be a reasonable question as to whether notice needs to be given to 1994854 pursuant to this Section 9.3.

9.4 Indemnities

Prize agrees that, if it acquires the Minimum Required Shares under the Offer, it shall cause 1994854 to fulfill its obligations pursuant to indemnities provided or available to past and present officers and directors of 1994854 pursuant to the provisions of the 1994854 Governing Documents and Applicable Laws and any written indemnity agreements between 1994854 and its past and present directors and officers.

9.5 Third Party Beneficiaries

The provisions of Section 9.4 are:

(a) intended for the benefit of all past and present officers and directors of 1994854, as and to the extent applicable in accordance with their terms, and shall be enforceable by each of such persons and his or her heirs, executors administrators and other legal representatives (collectively, the "**Third Party Beneficiaries**") and 1994854 shall hold the rights and benefits of Sections 9.4 in trust for and on behalf of the Third Party Beneficiaries and 1994854 hereby accepts such trust and agrees to hold the benefit of and enforce performance of such covenants on behalf of the Third Party Beneficiaries; and

(b) in addition to, and not in substitution for, any other rights that the Third Party Beneficiaries may have by contract or otherwise.

9.6 Confirmation

On the Take-up Date, Prize will provide a certificate of an officer confirming the covenants made in this Agreement by Prize have been performed or complied with in all respects.

ARTICLE 10
MUTUAL COVENANTS

10.1 Other Filings

Prize and 1994854 shall, as promptly as practicable hereafter, prepare and file any filings required under any Securities Law or any other Applicable Laws relating to the transactions contemplated herein.

10.2 Additional Agreements

Subject to the terms and conditions herein provided and the fiduciary obligations under Applicable Laws as advised by counsel in writing, each of the Parties agrees to use all commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective as promptly as practicable the transactions contemplated by this Agreement and to cooperate with each other in connection with the foregoing, including using commercially reasonable efforts:

(a) to obtain all necessary waivers, consents and approvals from Third Parties to material agreements, leases and other contracts (including, without limitation, the agreement of any persons as may be required pursuant to any agreement, arrangement or understanding relating to 1994854's operations);

(b) to obtain all necessary consents, approvals and authorizations as are required to be obtained under any Applicable Laws;

(c) to defend all lawsuits or other legal proceedings challenging this Agreement or the consummation of the transactions contemplated hereby;

(d) to cause to be lifted or rescinded any injunction or restraining order or other order adversely affecting the ability of the Parties to consummate the transactions contemplated hereby;

(e) to effect all necessary registrations and other filings and submissions of information requested by governmental authorities; and

(f) to fulfill all conditions and satisfy all provisions of this Agreement and the Offer.

For purposes of this Agreement, the obligation to use "commercially reasonable efforts" to obtain waivers, consents, approvals and authorizations to loan agreements, leases and other contracts or under laws or regulations shall not include any obligation to agree to a materially adverse modification of the terms of such documents or to prepay or incur additional material obligations.

ARTICLE 11
TERMINATION, AMENDMENT AND WAIVER

11.1 Termination

This Agreement, other than the provisions set forth in Section 11.2, may be terminated by written notice promptly given to the other Party, at any time prior to the Take-up Date:

(a) by mutual written agreement between Prize and 1994854;

(b) by 1994854, if the Mailing Date has not occurred on or before January 20, 2017, provided that 1994854 has provided Prize the registered list of 1994854 Shareholders pursuant to Subsection 2.1(d) of this Agreement;

(c) by Prize, if it has the right pursuant to Subsection 2.1(k) to refuse to make the Offer due to the failure of the satisfaction of any of the conditions set forth in Subsection 2.1(k);

(d) by either Prize or 1994854, if Prize has not taken up and paid for the 1994854 Shares deposited under the Offer on or before the date which is 30 days following the day of mailing of the Offer Documents (or the day of mailing of any documents amending the Offer, as applicable) unless the failure of Prize to take up and pay for the 1994854 Shares deposited under the Offer is due to the failure of the Party seeking to terminate this Agreement to perform the obligations required to be performed by it under this Agreement;

(e) by either Prize or 1994854, if the Offer expires at the Expiry Time without Prize taking up and paying for any of the 1994854 Shares as a result of the failure of any condition to the Offer to be satisfied or waived unless the failure of such condition is due to the failure of the Party seeking to terminate this Agreement to perform the obligations required to be performed by it under this Agreement;

(f) by either Prize or 1994854 if any law makes the making or completion of the Offer or the transactions contemplated by this Agreement illegal or otherwise prohibited provided that, if prohibited by way of order, decree, ruling or similar action by any governmental entity or Securities Authorities, such order, decree, ruling or other action shall have become final and non-appealable and the party seeking to terminate this Agreement pursuant to this section shall have used all commercially reasonable efforts to remove such order, decree, ruling or other action;

(g) by Prize, if 1994854 is in breach of any of its covenants set forth in Section 8.2;

(h) by either Prize or 1994854, if a Material Adverse Effect shall have occurred in respect of the other Party; or

(i) by 1994854, if the Prize Shares issuable under the Offer have not been conditionally listed on the Exchange prior to the Take-up Date.

11.2 Effect of Termination

In the event of the termination of this Agreement as provided in Section 11.1, this Agreement shall forthwith have no further force or effect and there shall be no obligation on the part of Prize or 1994854 hereunder except as set forth in Sections 1.6, 1.7, 11.2 and Article 12, which provisions shall survive the termination of this Agreement. Nothing in this Section 11.2 shall relieve any Party from liability for any breach of this Agreement.

11.3 Amendment

This Agreement may be amended by mutual agreement between the Parties. This Agreement may not be amended except by an instrument in writing signed by the appropriate officers on behalf of each of the Parties.

11.4 Waiver

Prize, on the one hand, and 1994854, on the other hand, may (i) extend the time for the performance of any of the obligations or other acts of the other, (ii) waive compliance with any of the other's agreements or the fulfillment of any conditions to its own obligations contained herein, or (iii) waive inaccuracies in any of the other's representations or warranties contained herein or in any document delivered by the other Party; provided, however, that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party.

ARTICLE 12
GENERAL PROVISIONS

12.1 Notices

Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be given by prepaid mail, by facsimile or other means of electronic communication or by hand-delivery as hereinafter provided. Any such notice or other communication, if mailed by prepaid mail at any time other than during a general discontinuance of postal service due to strike, lockout or otherwise, shall be deemed to have been received on the third Business Day after the post-marked date thereof, or if sent by facsimile or other means of electronic communication, shall be deemed to have been received on the Business Day of sending if sent prior to 5:00pm (Calgary time) on such Business Day and if sent after 5:00pm (Calgary time) it shall be deemed to have been received on the following Business Day, or if delivered by hand shall be deemed to have been received at the time it is delivered to the applicable address noted below either to the individual designated below or to an individual at such address having apparent authority to accept deliveries on behalf of the addressee. Notice of change of address shall also be governed by this section. In the event of a general discontinuance of postal service due to strike, lockout or otherwise, notices or other communications shall be delivered by hand or sent by facsimile or other means of electronic communication and shall be deemed to have been received in accordance with this section. Notices and other communications shall be addressed as follows:

(a) if to Prize:

Attention: Feisal Somji, Chief Executive Officer
Fax No.: 403.398.0693
Email: fsomji@prizemining.com

(b) if to 1994854:

Attention: David Schmidt
Email: David@eyecarrot.com

12.2 Miscellaneous

This Agreement, the Pre-Tender Agreements and the Confidentiality Agreement constitute the entire agreement and supersede all other prior agreements and understandings, both written and oral, between the Parties, with respect to the subject matter hereof; and shall be binding upon and enure to the benefit of the Parties and their respective successors and assigns. The Parties shall be entitled to rely upon delivery of an executed facsimile or electronic copy of this Agreement, and such facsimile or electronic copy shall be legally effective to create a valid and binding agreement between the Parties. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the Province of Alberta having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

12.3 Assignment

Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by either of the Parties without the prior written consent of the other Party.

12.4 Expenses

All fees, costs and expenses incurred by Prize in connection with this Agreement and the transactions contemplated hereby shall be paid by Prize, whether or not the Offer is consummated. All fees, costs and expenses incurred by 1994854 in connection with this Agreement and the transactions contemplated hereby shall be paid by 1994854, whether or not the Offer is consummated.

12.5 Survival of Representations and Warranties

Except as specifically contemplated by the Escrow Agreement, the representations and warranties of Prize and 1994854 contained in this Agreement shall not survive the completion of the Offer and shall expire and be terminated at the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

12.6 Privacy Issues

(a) For the purposes of this Section 12.6, "**Transferred Information**" means the personal information (namely, information about an identifiable individual other than their business contact information when used or disclosed for the purpose of contacting such individual in that individual's capacity as an employee or an official of an organization and for no other purpose) to be disclosed or conveyed to one Party or any of its officers, directors, employees, financial advisors, legal counsel, representatives or agents ("**Recipient**") by or on behalf of the other Party ("**Disclosing Party**") as a result of or in conjunction with the transactions contemplated herein, and includes all such personal information disclosed to the Recipient prior to the execution of this Agreement.

(b) Each Disclosing Party covenants and agrees to, upon request, use reasonable efforts to advise the Recipient of the purposes for which the Transferred Information was initially collected from or in respect of the individual to which such Transferred Information relates and the additional purposes where the Disclosing Party has notified the individual of such additional purpose, and where required by Applicable Laws, obtained the consent of such individual to such use or disclosure.

(c) In addition to its other obligations hereunder, Recipient covenants and agrees to:

(i) prior to the completion of the transactions contemplated herein, collect, use and disclose the Transferred Information solely for the purpose of reviewing and completing the transactions contemplated herein, including for the purpose of determining to complete such transactions;

(ii) after the completion of the transactions contemplated herein,

A. collect, use and disclose the Transferred Information only for those purposes for which the Transferred Information was initially collected from or in respect of the individual to which such Transferred Information relates or for the completion of the transactions contemplated herein, unless (a) the Disclosing Party or Recipient have first notified such individual of such additional purpose, and where required by Applicable Laws, obtained the consent of such individual to such additional purpose, or (b) such use or disclosure is permitted or authorized by law, without notice to, or consent from, such individual; and

B. where required by Applicable Laws, promptly notify the individuals to whom the Transferred Information relates that the transactions contemplated herein have taken place and that the Transferred Information has been disclosed to Recipient;

(iii) return or destroy the Transferred Information, at the option of the Disclosing Party, should the transactions contemplated herein not be completed; and

(iv) notwithstanding any other provision herein, where the disclosure or transfer of Transferred Information to Recipient requires the consent of, or the provision of notice to, the individual to which such Transferred Information relates, to not require or accept the disclosure or transfer of such Transferred Information until the Disclosing Party has first notified such individual of such disclosure or transfer and the purpose for same, and where required by Applicable Laws, obtained the individual's consent to same and to only collect, use and disclose such information to the extent necessary to complete the transactions contemplated herein and as authorized or permitted by Applicable Laws.

12.7 Severability

Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under Applicable Laws. Any provision of this Agreement that is invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

12.8 Time of Essence

Time is of the essence for this Agreement.

[Remainder of page left intentionally blank - signature page to follow]

12.9 Counterpart Execution

This Agreement may be executed in counterparts and may be executed by facsimile or other electronic means, and each of such counterparts shall be deemed an original, and all of which together constitute one and the same instrument.

IN WITNESS WHEREOF, Prize and 1994854 have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

PRIZE MINING CORPORATION

By: (signed) "*Feisal Somji*"
Feisal Somji
President and Chief Executive Officer

1994854 ALBERTA LTD.

By: (signed) "*David Schmidt*"
David Schmidt
President and Chief Executive Officer

Schedule A
CONDITIONS TO THE OFFER

The capitalized terms used in this Schedule A have the meanings set forth in the attached Pre-Acquisition Agreement dated December 23, 2016 (the "**Agreement**") between Prize and 1994854.

Notwithstanding any other provision of the Offer, but subject to the provisions of the Agreement, Prize reserves the right to withdraw or terminate the Offer and not take up and pay for, or to extend the period of time during which the Offer is open and postpone taking up and paying for, any 1994854 Shares deposited under the Offer unless all of the following conditions are satisfied, or waived by Prize:

(a) at the Expiry Time, and at the time Prize first takes up and pays for 1994854 Shares under the Offer, there shall have been validly deposited under the Offer and not withdrawn at least 90% (calculated on a diluted basis) of the outstanding 1994854 Shares (the "**Minimum Condition**");

(b) the number of 1994854 Shares outstanding shall be 28,525,000;

(c) all requisite governmental and regulatory and Third Party approvals, orders, rulings, exemptions and consents shall have been obtained on terms and conditions satisfactory to Prize, acting reasonably and no objection or opposition shall have been filed, initiated or made by any Governmental Authority during any applicable statutory or regulatory period which shall not have been withdrawn, deleted or overcome which has or will likely materially impede the ability of Prize to complete the Offer or any Second Stage Transaction;

(d) all the directors and officers of 1994854 shall have resigned and provided releases in accordance with Sections 2.3 and 2.5 of the Agreement;

(e) the Exchange shall have conditionally approved the listing of Prize Shares to be issued pursuant to the Offer on terms satisfactory to Prize, acting reasonably;

(f) no act, action, suit or proceeding shall have been threatened or taken before or by any Government Authority or by any elected or appointed public official or private person (including, without limitation, any individual, corporation, firm, group or other entity) in Canada or elsewhere, whether or not having the force of law, and no law, regulation or policy shall have been proposed, enacted, promulgated or applied, whether or not having the force of law:

   (i) which has the effect (or may reasonably be expected to have the effect) to cease trade, enjoin, prohibit or impose material limitations, damages or conditions on the purchase by or the sale to Prize of the 1994854 Shares or the right of Prize to own or exercise full rights of ownership of the 1994854 Shares, or the ability of Prize to take-up and pay for the 1994854 Shares under the Offer or complete any Second Stage Transaction; or

   (ii) which, if the Offer and any Second Stage Transaction was consummated, would have a Material Adverse Effect on 1994854 or on Prize;

(g) Prize shall be satisfied that there shall not exist any prohibition at law against Prize making the Offer, taking up and paying for all of the 1994854 Shares under the Offer, or completing any Second Stage Transaction in respect of any 1994854 Shares not acquired under the Offer;

(h) there shall not have occurred, (and there shall not have been disclosed to Prize, and Prize shall not have otherwise learned of, if previously not disclosed in writing to Prize by 1994854) any circumstance or circumstances which, individually or collectively, constitute a Material Adverse Effect on 1994854 that was not (or were not) disclosed in writing to Prize by 1994854 prior to the execution of the Agreement and 1994854 shall deliver an officer's certificate to such effect to

Prize, to the best of the knowledge of the officer so certifying the same, dated as of the Effective Time and duly executed by an officer of 1994854;

(i) there shall be no right, franchise or licence of 1994854 that has been or may be impaired (which impairment has not been cured or waived) or otherwise adversely affected, whether as a result of the making of the Offer, the taking up and paying for 1994854 Shares deposited under the Offer or otherwise, which might preclude Prize, acting reasonably, from proceeding with the Offer, taking up and paying for the 1994854 Shares under the Offer or completing a Second Stage Transaction because such impairment or adverse effect creates a Material Adverse Effect on 1994854;

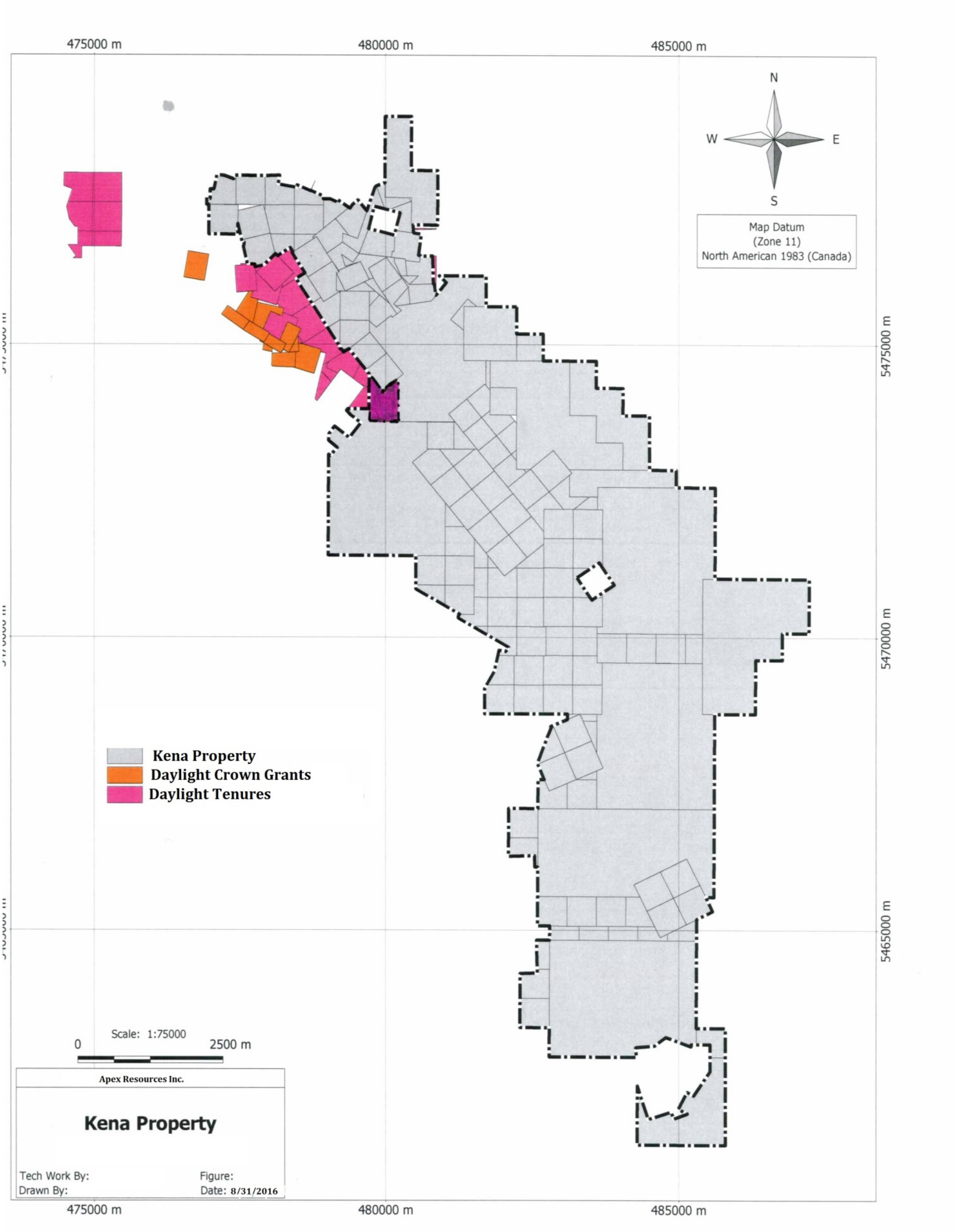
(j) no covenant, term or condition of any instrument of 1994854, or any agreement by which 1994854 is bound, exists which might preclude Prize from proceeding with the Offer, taking up and paying for the 1994854 Shares under the Offer or completing a Second Stage Transaction (including, without limitation, any default, acceleration or other adverse event that may ensue as a result of Prize taking up and paying for the 1994854 Shares under the Offer or completing a Second Stage Transaction) because such step would create a Material Adverse Effect on Prize or 1994854;

(k) none of the 1994854 Shareholders who have entered into Pre-Tender Agreements shall have breached, or failed to comply with any of their covenants contained in the Pre-Tender Agreements; and

(l) the Agreement shall not have been terminated in accordance with its terms.

Schedule B
KENA PROPERTY

ATTACHED.


475000 m
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(Zone 11)
North American 1983 (Canada)
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Kena Property
Daylight Crown Grants
Daylight Tenures
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2500 m
Apex Resources Inc.
Kena Property
Tech Work By:
Drawn By:
Figure:
Date: 8/31/2016

KENA PROPERTY CLAIMS AND TENURES

Tenure Number	Claim Name	Map Number	Issue Date	Good To Date	Area (ha)
232760	GOLD MTN.	082F044	1979/may/03	2023/feb/28	25.0
232761	GOLD MTN. NO. 2	082F044	1979/may/03	2023/feb/28	25.0
232763	GOLD MTN NO. 9 FR.	082F044	1979/may/22	2023/feb/28	25.0
232794	MAC #1	082F044	1979/sep/18	2023/feb/28	500
233177	COT	082F044	1983/sep/13	2023/feb/28	25.0
233178	ROADSIDE FR	082F044	1983/sep/13	2023/feb/28	25.0
233179	COT FR	082F044	1983/sep/13	2023/feb/28	25.0
233180	MAS FR	082F044	1983/sep/13	2023/feb/28	25.0
233181	TEE FR	082F044	1983/sep/13	2023/feb/28	25.0
233182	FLAT FR	082F044	1983/sep/13	2023/feb/28	25.0
233231	AU 2	082F044	1984/jun/05	2023/feb/28	25.0
233232	AU 4	082F044	1984/jun/05	2023/feb/28	25.0
233261	LINDE #2	082F044	1984/sep/07	2023/feb/28	25.0
233262	LINDE #1	082F044	1984/sep/07	2023/feb/28	25.0
233294	KENA FR.	082F044	1985/feb/07	2023/feb/28	25.0
233606	MAGPIE	082F044	1987/jul/20	2023/feb/28	25.0
233607	ELDORADO	082F044	1987/jul/20	2023/feb/28	25.0
233608	PACTOLUS FRACTION	082F044	1987/jul/20	2023/feb/28	25.0
233609	SHAFT FRACTION	082F044	1987/jul/20	2023/feb/28	25.0
233610	DEER FRACTION	082F044	1987/jul/20	2023/feb/28	25.0
233611	MIDNITE FRACTION	082F044	1987/jul/20	2023/feb/28	25.0
235349	KENA #18	082F044	1974/nov/05	2023/feb/28	25.0
235350	KENA #19	082F044	1974/nov/05	2023/feb/28	25.0
235351	KENA #20	082F044	1974/nov/05	2023/feb/28	25.0
235352	KENA #21	082F044	1974/nov/05	2023/feb/28	25.0
235353	KENA #22	082F044	1974/nov/05	2023/feb/28	25.0
235354	KENA #23	082F044	1974/nov/05	2023/feb/28	25.0
235355	KENA #24	082F044	1974/nov/05	2023/feb/28	25.0
235356	KENA #25	082F044	1974/nov/05	2023/feb/28	25.0
350286	SK	082F044	1996/sep/04	2023/feb/28	25.0
350556	EP	082F044	1996/sep/09	2023/feb/28	25.0
350557	PY	082F044	1996/sep/09	2023/feb/28	25.0
362976	SHAFT W1	082F044	1998/may/24	2023/feb/28	25.0
362977	SHAFT W2	082F044	1998/may/24	2023/feb/28	25.0
372729	CAT #1	082F044	1999/oct/24	2023/feb/28	25.0
372730	CAT #2	082F044	1999/oct/24	2023/feb/28	25.0
372731	CAT #3	082F044	1999/oct/24	2023/feb/28	25.0
372732	CAT #4	082F044	1999/oct/24	2023/feb/28	25.0
373751	CAT 6	082F044	1999/dec/03	2023/feb/28	25.0
373752	CAT 7	082F044	1999/dec/03	2023/feb/28	25.0
373753	CAT 8	082F044	1999/dec/04	2023/feb/28	25.0

Tenure Number	Claim Name	Map Number	Issue Date	Good To Date	Area (ha)
373754	CAT 9	082F044	1999/dec/03	2023/feb/28	25.0
373756	CAT 11	082F044	1999/dec/03	2023/feb/28	25.0
373758	CAT 13	082F044	1999/dec/04	2023/feb/28	25.0
373760	CAT 15	082F044	1999/dec/04	2023/feb/28	25.0
373761	CAT 16	082F044	1999/dec/04	2023/feb/28	25.0
373762	CAT 17	082F044	1999/dec/04	2023/feb/28	25.0
373763	CAT 18	082F044	1999/dec/04	2023/feb/28	25.0
373764	CAT 19	082F044	1999/dec/05	2023/feb/28	25.0
373765	CAT 20	082F044	1999/dec/04	2023/feb/28	25.0
373766	CAT 21	082F044	1999/dec/05	2023/feb/28	25.0
373767	CAT 22	082F044	1999/dec/05	2023/feb/28	25.0
374197	CAT 23	082F044	2000/jan/10	2023/feb/28	25.0
374198	CAT 24	082F044	2000/jan/10	2023/feb/28	25.0
374199	CAT 25	082F044	2000/jan/10	2023/feb/28	25.0
374200	CAT 26	082F044	2000/jan/10	2023/feb/28	25.0
374201	CAT 27	082F044	2000/jan/10	2023/feb/28	25.0
374202	CAT 28	082F044	2000/jan/10	2023/feb/28	25.0
374203	CAT 29	082F044	2000/jan/10	2023/feb/28	25.0
374204	CAT 30	082F044	2000/jan/10	2023/feb/28	25.0
374205	CAT 31	082F034	2000/jan/10	2023/feb/28	25.0
374206	CAT 32	082F034	2000/jan/10	2023/feb/28	25.0
374207	CAT 33	082F044	2000/jan/11	2023/feb/28	25.0
374208	CAT 34	082F044	2000/jan/11	2023/feb/28	25.0
374209	CAT 35	082F044	2000/jan/11	2023/feb/28	25.0
374210	CAT 36	082F044	2000/jan/11	2023/feb/28	25.0
374211	STAR 1	082F044	2000/jan/12	2023/feb/28	25.0
374212	STAR 2	082F044	2000/jan/12	2023/feb/28	25.0
378493	NOMAN	082F044	2000/jul/01	2023/feb/28	500.0
379797	SAKE	082F044	2000/aug/15	2023/feb/28	25.0
380707	CAT 40	082F034	2000/sep/21	2023/feb/28	25.0
380708	CAT 41	082F034	2000/sep/21	2023/feb/28	25.0
380709	CAT 42	082F034	2000/sep/21	2023/feb/28	25.0
380710	CAT 43	082F034	2000/sep/21	2023/feb/28	25.0
380711	CAT 44	082F034	2000/sep/21	2023/feb/28	25.0
380712	CAT 45	082F034	2000/sep/21	2023/feb/28	25.0
382325	SK 1	082F044	2000/nov/12	2023/feb/28	500.0
382326	SK 2	082F044	2000/nov/11	2023/feb/28	25.0
382327	SK 3	082F034	2000/nov/12	2023/feb/28	25.0
382328	SK 4	082F034	2000/nov/12	2023/feb/28	25.0
382329	SK 5	082F034	2000/nov/12	2023/feb/28	25.0
382330	SK 6	082F034	2000/nov/12	2023/feb/28	25.0
382801	GC 1	082F034	2000/nov/20	2023/feb/28	25.0
382802	GC 2	082F034	2000/nov/20	2023/feb/28	25.0
382803	GC 3	082F034	2000/nov/20	2023/feb/28	25.0
382804	GC 4	082F034	2000/nov/20	2023/feb/28	25.0
382805	SK 7	082F034	2000/nov/19	2023/feb/28	25.0
382806	SK 8	082F034	2000/nov/19	2023/feb/28	25.0
382807	SK 9	082F034	2000/nov/19	2023/feb/28	25.0

Tenure Number	Claim Name	Map Number	Issue Date	Good To Date	Area (ha)
382809	SK 11	082F034	2000/nov/19	2023/feb/28	25.0
382810	SK 12	082F034	2000/nov/19	2023/feb/28	25.0
382811	SK 13	082F034	2000/nov/19	2023/feb/28	25.0
382812	SK 14	082F034	2000/nov/19	2023/feb/28	25.0
382813	SK 15	082F034	2000/nov/19	2023/feb/28	25.0
382814	SK 16	082F034	2000/nov/19	2023/feb/28	25.0
382815	SK 17	082F034	2000/nov/19	2023/feb/28	25.0
382816	SK 18	082F034	2000/nov/19	2023/feb/28	25.0
382819	SK 10	082F034	2000/nov/19	2023/feb/28	25.0
384262	SK 19	082F034	2001/feb/25	2023/feb/28	25.0
384263	SK 20	082F034	2001/feb/25	2023/feb/28	25.0
384264	SK 21	082F034	2001/feb/25	2023/feb/28	25.0
384265	SK 22	082F034	2001/feb/25	2023/feb/28	25.0
384266	SK 23	082F034	2001/feb/25	2023/feb/28	25.0
384267	SK 24	082F034	2001/feb/25	2023/feb/28	25.0
384268	SK 25	082F034	2001/feb/26	2023/feb/28	25.0
384269	SK 26	082F034	2001/feb/26	2023/feb/28	25.0
384270	SK 27	082F034	2001/feb/26	2023/feb/28	25.0
384271	SK 28	082F034	2001/feb/26	2023/feb/28	25.0
387621	GC #5	082F034	2001/jun/30	2023/feb/28	500.0
387622	GC #6	082F034	2001/jun/30	2023/feb/28	450.0
387623	GC #7	082F034	2001/jun/30	2023/feb/28	25.0
387624	GC #8	082F034	2001/jun/30	2023/feb/28	25.0
387625	GC #9	082F034	2001/jun/30	2023/feb/28	25.0
387634	GC #10	082F034	2001/jun/30	2023/feb/28	25.0
387635	GC #11	082F034	2001/jun/30	2023/feb/28	25.0
387636	GC #12	082F034	2001/jun/18	2023/feb/28	25.0
387637	GC #13	082F034	2001/jun/18	2023/feb/28	25.0
387638	GC #14	082F034	2001/jun/18	2023/feb/28	25.0
387639	GC #15	082F034	2001/jun/19	2023/feb/28	25.0
387640	GC #16	082F034	2001/jun/19	2023/feb/28	25.0
387641	GC #17	082F034	2001/jun/19	2023/feb/28	25.0
387642	JUNE #1	082F034	2001/jun/20	2023/feb/28	500.0
387643	JUNE #2	082F034	2001/jun/18	2023/feb/28	25.0
387644	JUNE #3	082F034	2001/jun/18	2023/feb/28	25.0
387645	JUNE #4	082F034	2001/jun/18	2023/feb/28	25.0
387646	JUNE #5	082F034	2001/jun/18	2023/feb/28	25.0
387647	JUNE #6	082F034	2001/jun/20	2023/feb/28	25.0
387648	JUNE #7	082F034	2001/jun/20	2023/feb/28	25.0
387649	JUNE #8	082F034	2001/jun/20	2023/feb/28	25.0
387650	JUNE #9	082F034	2001/jun/20	2023/feb/28	25.0
389878	TAMARAC	082F035	2001/sep/23	2023/feb/28	225.0
389879	TAM	082F034	2001/sep/23	2023/feb/28	25.0
391009	SK 29	082F034	2001/nov/25	2023/feb/28	25.0
391010	SK 30	082F034	2001/nov/25	2023/feb/28	25.0
391011	SK 31	082F034	2001/nov/25	2023/feb/28	25.0
391012	SK 32	082F034	2001/nov/25	2023/feb/28	25.0
392532	G.A. #8	082F034	2002/apr/05	2023/feb/28	25.0

Tenure Number	Claim Name	Map Number	Issue Date	Good To Date	Area (ha)
392533	G.A. #7	082F034	2002/apr/05	2023/feb/28	25.0
392534	GA #6	082F034	2002/apr/05	2023/feb/28	25.0
392535	GA #5	082F034	2002/apr/05	2023/feb/28	25.0
392536	GA #4	082F034	2002/apr/05	2023/feb/28	25.0
392537	GA #3	082F034	2002/apr/05	2023/feb/28	25.0
392538	GA #2	082F044	2002/apr/05	2023/feb/28	25.0
392539	GA #1	082F044	2002/apr/05	2023/feb/28	25.0
550210	FRANK&DON	082F	2007/jan/25	2023/feb/28	252.1938
550275	F&D FR.	082F	2007/jan/25	2023/feb/28	21.0157
652203	NEW SK	082F	2009/oct/14	2023/feb/28	84.0774
834084	HIGHWAY 1	082F	2010/sep/22	2023/feb/28	105.0003
834085	HIGHWAY 2	082F	2010/sep/22	2023/feb/28	84.0429
834123	HIGHWAY 3	082F	2010/sep/23	2023/feb/28	21.0123
834124	HIGHWAY 4	082F	2010/sep/23	2023/feb/28	126.0954
834158	CREEK 1	082F	2010/sep/23	2023/feb/28	315.4215

DAYLIGHT - STARLIGHT PROPERTY					
Tenure Number	**Claim Name**	**Map Number**	**Issue Date**	**Good To Date**	**Area (ha)**
232860	Grt Western	082F044	1980/feb/19	2020/feb/28	25.0
232861	Irene	082F044	1980/feb/19	2020/feb/28	25.0
232862	Grt Eastern	082F044	1980/feb/19	2020/feb/28	25.0
373681	GRAND	082F044	1999/nov/26	2020/feb/28	25.0
373750	CAT 5	082F044	1999/dec/03	2020/feb/28	25.0
373755	CAT 10	082F044	1999/dec/03	2020/feb/28	25.0
373757	CAT 12	082F044	1999/dec/03	2020/feb/28	25.0
373759	CAT 14	082F044	1999/dec/04	2020/feb/28	25.0
380091	CAT 37	082F044	2000/sep/03	2020/feb/28	25.0
380092	CAT 38	082F044	2000/sep/03	2020/feb/28	25.0
380093	CAT 39	082F044	2000/sep/03	2020/feb/28	25.0
382323	CAT 46	082F044	2000/nov/10	2020/feb/28	25.0
382324	CAT 47	082F044	2000/nov/10	2020/feb/28	25.0
389877	GOLD MOUNTAIN	082F044	2001/sep/22	2020/feb/28	500.0
390584	GM 1	082F044	2001/oct/26	2020/feb/28	25.0
390585	GM 2	082F044	2001/oct/26	2020/feb/28	25.0
392165	SAND 1	082F044	2002/mar/10	2019/feb/28	25.0
392166	SAND 2	082F044	2002/mar/10	2019/feb/28	25.0
392167	SAND 3	082F044	2002/mar/10	2019/feb/28	25.0
392168	SAND 4	082F044	2002/mar/10	2019/feb/28	25.0
392169	SAND 5	082F044	2002/mar/10	2019/feb/28	25.0
392170	SAND 6	082F044	2002/mar/10	2019/feb/28	25.0
L684	Starlight	082F044			
L4146	Blackwitch	082F044			
L4155	Gold Bell	082F044			
L248	VICTORIA	082F044			
L686	JESSIE	082F044			
L901	BID	082F044			
L902	JMB	082F044			
L907	DAYLIGHT	082F044			
L14699	Gold King Fr	082F044			
L3251	BERLIN	082F044			
L14700	Millsite Fr	082F044			

Schedule C
FORM OF PRE-TENDER AGREEMENT

PRE-TENDER AGREEMENT

December 23, 2016

Dear Sir/Madam:

Re: Offer by Prize Mining Corporation

Reference is made to the pre-acquisition agreement dated December 23, 2016, as may be amended from time to time, (the "**Pre-Acquisition Agreement**"), between Prize Mining Corporation ("**Prize**") and 1994854 Alberta Ltd. ("**1994854**") pursuant to which Prize has agreed to make an offer to purchase all of the issued and outstanding common shares of 1994854 (the "**1994854 Shares**") on the basis of one (1) Prize Shares for every one (1) 1994854 Share. Unless otherwise defined herein, all capitalized terms referred to herein shall have the meanings attributed thereto in the Pre-Acquisition Agreement.

We understand that you (the "**Selling Shareholder**") beneficially own, directly or indirectly, or exercise control or direction over, the number of 1994854 Shares set forth in your acceptance at the end of this letter agreement.

This letter agreement sets out the terms and conditions upon which the Selling Shareholder has agreed, among other things, to support the Offer and to deposit under the Offer, or cause to be deposited under the Offer, all of the 1994854 Shares held by the Selling Shareholder that are beneficially owned or controlled by the Selling Shareholder.

1. Covenants of Selling Shareholder

By the acceptance of this letter agreement, the Selling Shareholder hereby agrees from the date hereof until the earlier of the termination of this letter agreement and the Take-up Date:

(a) not to transfer, sell, assign, convey or otherwise dispose of or to offer to transfer, sell, assign, convey or otherwise dispose of any of the 1994854 Shares owned or controlled by such Selling Shareholder;

(b) unconditionally and irrevocably to accept the Offer made by Prize by depositing the 1994854 Shares presently owned by the Selling Shareholder prior to the Initial Expiry Time and in accordance with the terms and conditions of the Offer;

(c) not to exercise any statutory or other rights of withdrawal with respect to any 1994854 Shares owned by such Selling Shareholder or any affiliate of such Selling Shareholder once deposited pursuant to the Offer, unless this letter agreement is terminated prior to Prize taking up the 1994854 Shares under the Offer;

(d) not to exercise any shareholder rights or remedies available at common law or pursuant to the Act or applicable securities legislation to delay, hinder, upset or challenge the Offer;

(e) not to directly or indirectly solicit, make, assist in the making of or otherwise encourage any other Take-over Proposal in respect of 1994854 and to refrain from taking, or causing to be taken, any actions that might reasonably be expected to reduce the likelihood of the Offer being successfully completed, subject to the terms and conditions of the Pre-Acquisition Agreement and subject to the terms of paragraph 4 of this letter agreement;

(f) in connection with the completion of the Offer, if the Selling Shareholder is a director or officer of 1994854, it will, if requested by Prize, resign his position as a director and/or officer of 1994854 effective at such time as may be requested by Prize (provided such time is not prior to the Effective Time) and provide a mutual release, acceptable to Prize and 1994854, acting reasonably, and will use reasonable efforts to enable Prize to elect or appoint all of the directors of 1994854 and to effect an orderly transition of management and control of 1994854 at the time and in the manner requested by Prize; and

(g) it shall duly execute a resolution of the 1994854 Shareholders and release, ratifying and approving the 1994854 Asset Conveyance Agreement and the transactions contemplated thereby and releasing 1994854 and Prize from any and all claims, losses and liabilities in relation to the 1994854 Asset Conveyance Agreement and the transactions contemplated thereby.

2. Lock-Up Period and Resale Covenants of the Selling Shareholder

The Selling Shareholder acknowledges and agrees that it will not Transfer (as defined below) the Prize Shares received in exchange for the 1994845 Shares held by the Selling Shareholder other than in accordance with the schedule set out below or as may be consented to in writing in advance by Prize:

(a) on the Take-up Date, ten (10%) percent of the Prize Shares acquired by the Selling Shareholder pursuant to the Offer may be Transferred;

(b) on the date that is six (6) months following the Take-up Date, an additional fifteen (15%) percent of the Prize Shares acquired by the Selling Shareholder pursuant to the Offer may be Transferred;

(c) on the date that is twelve (12) months following Take-up Date, an additional fifteen (15%) percent of the Prize Shares acquired by the Selling Shareholder pursuant to the Offer may be Transferred;

(d) on the date that is eighteen (18) months following the Take-up Date, an additional fifteen (15%) percent of the Prize Shares acquired by the Selling Shareholder pursuant to the Offer may be Transferred;

(e) on the date that is twenty-four (24) months following the Take-up Date, an additional fifteen (15%) percent of the Prize Shares acquired by the Selling Shareholder pursuant to the Offer may be Transferred;

(f) on the date that is thirty (30) months following the Take-up Date, an additional fifteen (15%) percent of the Prize Shares acquired by the Selling Shareholder pursuant to the Offer may be Transferred; and

(g) on the date that is thirty-six (36) months following the Take-up Date, the remaining fifteen (15%) percent of the Prize Shares acquired by the Selling Shareholder pursuant to the Offer may be Transferred.

The term "Transfer" includes the making or granting of any sale, exchange, assignment, hypothecation, gift, security interest, pledge or other encumbrance, or any contract therefor, any voting trust or other agreement or arrangement with respect to the transfer of voting rights or any other beneficial interest in such securities, the creation of any other claim thereto or any other transfer or disposition whatsoever, whether voluntary or involuntary, affecting the right, title, interest or possession in or to such securities.

The Selling Shareholder acknowledges and agrees that the certificate(s) representing the Prize Shares will be endorsed by a legend stating that the Prize Shares will be subject to the restrictions on Transfer set out above.

3. Covenants of Prize

(a) Prize shall make the Offer in accordance with the terms and conditions of the Pre-Acquisition Agreement, including complying with the terms and conditions of Article 2 in the Pre-Acquisition Agreement in respect of the Offer; and

(b) Prize shall, subject to the satisfaction or waiver of the conditions set forth in the Offer, take up and pay for all 1994854 Shares owned or controlled or directed by the Selling Shareholder or any associate or affiliate of the Selling Shareholder deposited pursuant to the Offer in accordance with the terms and conditions of the Offer and the provisions of the Pre-Acquisition Agreement unless the Pre-Acquisition Agreement is terminated in accordance with its terms.

4. Fiduciary Duties

Nothing herein shall: (i) restrict, limit or prohibit the Selling Shareholder from exercising (in his capacity as a director or officer of 1994854) his fiduciary duties or other obligations to 1994854 under Applicable Laws; (ii) require the Selling Shareholder, in his capacity as an officer or employee of 1994854, to take any action in contravention of, or omit to take any action pursuant to, or otherwise take or refrain from taking any actions which are inconsistent with, instructions or directions of 1994854's board of directors undertaken in the exercise of their fiduciary duties; or (iii) restrict, limit or prohibit the Selling Shareholder from taking any action (in his capacity as a director or officer of 1994854) required in connection with the performance by 1994854 of its obligations under the Pre-Acquisition Agreement. Notwithstanding the foregoing, nothing in this paragraph 4 shall derogate from the Selling Shareholder's obligations to accept the Offer by depositing the 1994854 Shares presently owned by such Selling Shareholder and not to sell, assign, convey or otherwise dispose of any of the 1994854 Shares owned or controlled by such Selling Shareholder, other than pursuant to the Pre-Acquisition Agreement.

5. Expenses

Prize and the Selling Shareholder agree to pay their own respective expenses incurred in connection with this letter agreement. Each of the parties hereto agrees to indemnify the other against any claim for a finder's fee or other compensation validly made by any broker which has an agreement with such indemnifying party for the payment of such fee or compensation. This paragraph 5 shall survive the termination of this letter agreement pursuant to paragraph 6.

6. Termination

It is understood and agreed that the respective rights and obligations hereunder of Prize and the Selling Shareholder shall cease and this letter agreement shall terminate:

(i) if Prize (other than as permitted in the Pre-Acquisition Agreement) waives the Minimum Condition, decreases the consideration offered pursuant to the Offer or otherwise modifies or amends the Offer in a manner materially adverse to 1994854 Shareholders, provided that an extension of the Offer or any amendment to the Offer pursuant to the terms of Section 2.7 of the Pre-Acquisition Agreement shall not constitute an adverse modification or amendment to the Offer; or

(ii) in the event that the Pre-Acquisition Agreement is terminated pursuant to Section 11.1 thereof.

In the event of termination of this letter agreement, the Selling Shareholder may withdraw all of the 1994854 Shares deposited in accordance with the terms and conditions of the Offer, this letter agreement shall forthwith be of no further force and effect and there shall be no obligation or liability on the part of either the Selling Shareholder or Prize, except as set forth in paragraphs 5, 9, 11 and 13 and this paragraph 6, which provisions shall survive the termination of this letter agreement. Nothing herein shall relieve any party from liability for any breach of this letter agreement.

7. Representations and Warranties relating to the Selling Shareholder

The Selling Shareholder hereby represents and warrants to Prize that:

(a) the Selling Shareholder is the beneficial owner, directly or indirectly, or controls or exercises direction over, the 1994854 Shares, 1994854 Options and 1994854 Performance Warrants set forth below in the Selling Shareholder's acceptance at the end of this letter agreement, and other than such 1994854 Shares, 1994854 Options and 1994854 Performance Warrants, the Selling Shareholder does not, either directly or indirectly, beneficially own or exercise control or direction over any other securities of 1994854 and has no agreement, option or other right (whether by law, pre-emptive or contractual) capable of becoming an agreement, option, or other right to purchase or otherwise acquire any securities of 1994854;

(b) the 1994854 Shares are, and will be at the time at which Prize takes up and pays for the 1994854 Shares under the Offer, free and clear of any and all liens, charges, restrictions, security interests, adverse claims, pledges and encumbrances created by, through or under the Selling Shareholder (except for the Selling Shareholder's obligations under this letter agreement);

(c) no consent, order, approval or authorization, including without limitation any regulatory approval or order or the consent of any lender to the Selling Shareholder, is required in connection with the Selling Shareholder's entering into of this letter agreement and the Selling Shareholder's consummation of the transactions contemplated hereby;

(d) no person, firm, corporation or other entity whatsoever has any agreement, option or other right (whether by law, pre-emptive or contractual) capable of becoming an agreement, option, or other right to purchase or otherwise acquire any 1994854 Shares, 1994854 Options or 1994854 Performance Warrants owned by the Selling Shareholder or any interest therein or right thereto, except for Prize pursuant to this letter agreement and the Pre-Acquisition Agreement; and

(e) the Selling Shareholder is duly authorized to execute and deliver this letter agreement and this letter agreement has been duly executed and delivered by the Selling Shareholder and is a valid and binding agreement, enforceable against the Selling Shareholder in accordance with its terms, subject to bankruptcy, insolvency, preference, reorganization, moratorium and other similar laws affecting creditors’ rights generally and the discretion of courts with respect to equitable and discretionary remedies and defences, and the consummation by the Selling Shareholder of the transactions contemplated hereby will not constitute a violation or default under, or conflict with: (i) any contract, commitment, agreement, understanding, arrangement or restriction of any kind to which the Selling Shareholder is a party or by which the Selling Shareholder will be bound at the time of such consummation; or (ii) any judgement, decree, order or award of any court, governmental body or arbitrator applicable to the Selling Shareholder.

8. Specific Performance

The Selling Shareholder recognizes and acknowledges that this letter agreement is an integral part of Prize making the Offer, and that Prize would not contemplate making the Offer unless this letter agreement was executed, and that a breach by the Selling Shareholder of any covenants or commitments contained in this letter agreement will cause Prize to sustain injury for which it may not have an adequate remedy at law for money damages. Therefore, the Selling Shareholder agrees that, in the event of any such breach, Prize shall be entitled to the remedy of specific performance of such covenants or commitments and preliminary and permanent injunctive and other equitable relief in addition to any other remedy to which it may be entitled, at law or in equity, and the Selling Shareholder further agrees to waive any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief.

9. Amendment

Except as expressly set forth herein, this letter agreement constitutes the whole of this letter agreement between the parties and may not be modified, amended, altered or supplemented except upon the execution and delivery of a written agreement executed by the parties hereto.

10. Assignment

Except as expressly set forth herein, no party to this letter agreement may assign any of its rights or obligations under this letter agreement without the prior written consent of the other party.

11. Disclosure

The Selling Shareholder shall not disclose the terms of this letter agreement, or any details hereof, to any Person, other than 1994854, its directors and officers, and to his legal advisors without the prior written consent of Prize, except to the extent required by Applicable Law.

12. Enurement

This letter agreement will be binding upon and enure to the benefit of Prize and its successors and permitted assigns and to the Selling Shareholder and his executors, administrators, successors and permitted assigns.

13. Applicable Law

This letter agreement shall be governed and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein and each of the parties hereto irrevocably attorns to the jurisdiction of the courts of the Province of Alberta.

14. Notice

Any notice or other communication required or contemplated under this Agreement to be given by one party to the other shall be delivered, telecopied or mailed by prepaid registered post to the party to receive same at the address noted below, namely:

(a) if to the Selling Shareholder at the address set forth on the signature page of this Agreement; and

(b) if to Prize:

Attention: Feisal Somji, Chief Executive Officer
Fax No.: 403.398.0693
Email: fsomji@prizemining.com

with a copy to:

DLA Piper (Canada) LLP
1000, 250-2nd Street S.W.

Calgary, Alberta T2P 0C1

Attention: Daniel E. Kenney
Fax No.: (403) 698-8704
Email: daniel.kenney@dlapiper.com

15. Time of Essence

Time is of the essence of this Agreement.

16. Counterparts

This letter agreement may be executed in counterparts and may be executed by facsimile or other electronic means, and each of such counterparts shall be deemed an original, and all of which together constitute one and the same instrument.

Yours truly,

PRIZE MINING CORPORATION

Per: ______________________________
Name: Feisal Somji
Title: President and Chief Executive Officer

ACCEPTANCE

The foregoing is hereby accepted as of and with effect from the ____ day of ____________, 2016 and the undersigned hereby confirms that the undersigned beneficially owns or exercises control or direction over:

(Number of 1994854 Shares): ________________________________

(Name of Selling Shareholder)

____

Address of Selling Shareholder:

____

____

____

____

(Signature of Witness)

____

(Signature of Selling Shareholder)

____

(Title of Selling Shareholder, if applicable)

Schedule D
THIRD PARTY ROYALTIES

The Daylight Crown Grants is held by Ms. Janet Wirth, grandaughter of original owner, and are subject to a 3.0% Net Smelter Return (NSR) from the production of gold and silver, and 1.5% Net Smelter Return from the production of other metals. Apex has the right to purchase 66⅔% of the NSR for $1,000,000 upon or prior to commencement of commercial production and must issue 200,000 shares of the securities of Apex upon completion of a positive feasibility study recommending commercial production on the Property.

The Great Western Claim Group (Irene and Great Eastern mine workings) is held by Mr. Robert J. Bourdon, prospector, and is subject to a 3.0% Net Smelter Return (NSR) from the production of gold and silver, and 1.5% Net Smelter Return from the production of other metals. Apex has the right to purchase 66⅔% of the NSR for $1,000,000 upon commencement of commercial production and 20,000 shares of the securities of Apex, due on receipt of a positive feasibility study recommending commercial production on the Property.

The Starlight Crown Grants are held by Mr. Jack Denny, prospector, and are subject to a 1.0% Net Smelter Returns (NSR) royalty from the production of gold, silver and other metals. Sultan has the right to purchase the entire NSR for $1,000,000 upon commencement of commercial production.

The Tough Nut Claims Net Smelter Return (NSR) is held by Mr. Lloyd Addie, prospector, is a 3% NSR on gold and silver and 1.5% NSR on other metals. Apex may purchase 66% of the NSR for $2.0 million on commencement of production.

The Kena Claims Net Smelter Return (NSR) is held by Otto Janout and associates, is a 3% NSR on gold and silver and 1.5% NSR on other metals. Apex may purchase 50% of the NSR for the greater of 7,000 ounces of gold or $2.0 million.