

**PROJECT ACQUISITION AGREEMENT** made as of August 30, 2021

**BETWEEN:** **NIPPON DRAGON RESOURCES INC.**, a corporation duly incorporated under the *Business Corporations Act* (Québec), having its head office at 500-7055 Boul. Taschereau, Brossard, QC J4Z 1A7 Canada, represented for the purposes hereof by Jean-Yves Thérien, Interim President;

(hereinafter, the “**Vendor**”)

**AND:** **ORMINEX CANADA LTD.**, a corporation duly incorporated under the *Business Corporations Act* (British Columbia), having its head office at 700-1055 W Hastings St, Vancouver, BC V6E 2E9 Canada, represented for the purposes hereof by Dean Hely, Director;

(hereinafter, the “**Purchaser**”)

**AND:** **ORMINEX LIMITED**, a corporation duly incorporated under the laws of Australia, having its head office at Suite 5, Level 1, 460 Roberts Road Subiaco Western Australia 6008 represented for the purposes hereof by Matthew Nixon, Chief Operating Officer;

(hereinafter, the “**Guarantor**”)

(collectively, the “**Parties**” and each of them, a “**Party**”)

**RECITALS:**

- A. The Vendor owns an undivided interest in thirty-four mining claims and one mining lease (the “**Rocmec Lease**”), located in the Dasserat Township, Québec, Canada, and which is more particularly described and located in Schedule “A” hereto (the “**Rocmec Mining Rights**”);
- B. The Vendor owns an undivided interest in thirteen mining claims, which are located in Louvicourt, Québec, Canada, and which is more particularly described and located in Schedule “B” hereto (the “**Denain Mining Rights**” and, collectively with the Rocmec Mining Rights, the “**Project**”);
- C. The Vendor has agreed to sell the Project to the Purchaser and the Purchaser has agreed to purchase the Project from the Vendor on the terms and subject to the conditions set forth in this Agreement (collectively, the “**Transaction**”); and
- D. The Guarantor has agreed to become a party to this Agreement solely to guarantee the obligations of the Purchaser.

**THEREFORE**, the Parties agree as follows:

## **ARTICLE 1 INTERPRETATION**

### **1.1 Definitions**

Whenever used in this Agreement, the following words and terms shall have the meanings set out below:

“**Affiliate**” of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person;

“**Agreement**” means this Project Acquisition Agreement, including without limitation all the schedules and exhibits hereto, and all written instruments supplementing or amending or confirming this Agreement and references to “Article” or “Section” mean and refer to the specified Article or Section of this Agreement;

“**Business Day**” means a day, other than a Saturday or Sunday, on which the principal commercial banks located in the province of Québec are open for business during normal banking hours;

“**Commencement Date**” means the Business Day following the date on which the conditions set out in Article 5 are satisfied or waived, or such other date as mutually agreed to by the Parties;

“**Denain Mining Rights**” means those mining rights fully described in the Recitals and Schedule B hereto;

“**Discharge Encumbrances**” means those Encumbrances to be discharged by the Vendor prior to the Transfer Date as identified in Schedule “C-2”;

“**Dragon Technology**” means the patented thermal fragmentation mining method, Canadian patent number 2,495,143 and Australian patent number 2003285235, licensed to the Vendor;

“**Encumbrance**” means, whether registered or registrable or recorded or recordable, and regardless of how created or arising, any prior claim, hypothec, mortgage, deed of trust, pledge, lien, security interest, adverse interest, net profits interest, royalty, overriding royalty interest, other payment out of production, claim, option to acquire or sell, off-take agreement, third party right of first refusal or right of first offer, other third person interest or other encumbrance or burden of any nature, whether contingent or absolute, and any agreement to grant, or right capable of becoming, any of the foregoing;

“**Environmental Laws**” means any law in effect on the date hereof in Canada (whether federal, provincial, local or municipal) applicable to the Project and relating to the environment, Hazardous Substance, natural resources or the protection and preservation thereof and any regulations promulgated pursuant thereto. For the purposes of this definition, the word “environment” means the environment as defined in any Environmental Law and “environmental” shall have the correlative meaning;

“**Escrow Agent**” means Fasken Martineau DuMoulin LLP;

“**Escrow Agreement**” means an escrow agreement substantially in the form attached as Schedule “G” pursuant to which the Title Documents shall be deposited and held in escrow by the Escrow Agent during the Interim Period and until the Transfer Date;

“**Exchange**” means the TSX Venture Exchange;

“**Exploration Account**” means a bank account maintained by the Purchaser in accordance with the Exploration Agreement, pursuant to which an amount of \$1,085,000 will be deposited to fund the Exploration Program of the Vendor;

“**Exploration Agreement**” means an exploration agreement substantially in the form attached as Schedule “H” pursuant to which the Vendor shall carry out the Exploration Program;

“**Exploration Program**” shall have the meanings ascribed to it in the Exploration Agreement;

“**Final Amount**” means an amount of \$1,500,000 payable by the Purchaser to the Vendor pursuant to Section 2.2(c);

“**Governmental Authority**” means any governmental regulatory or administrative body agency or authority, any court or judicial authority or any public regulatory authority, whether international, federal, provincial or local, including any stock exchange on which the securities of either the Vendor or the Purchaser are listed, if applicable;

“**Hazardous Substances**” means any material, substance or waste that is characterized under any applicable Environmental Laws as being dangerous, hazardous or toxic, or any pollutant or contaminant prohibited, controlled or regulated under Environmental Laws, including without limitation petroleum, products or any derivative thereof, any polychlorinated biphenyls or radioactive materials;

“**Independent Person**” means a Person other a Party or an Affiliate or Representative of a Party;

“**Initial Amount**” means an amount of \$2,000,000 payable by the Purchaser to the Vendor pursuant to Section 2.2(a);

“**Interim Period**” means that period from the Commencement Date to the earlier of (i) payment in full of the Final Amount of the Purchaser Price by the Purchaser or (ii) the termination of this Agreement;

“**MERN**” means the Québec *Ministère de l'Énergie et des Ressources naturelles*;

“**Mining Act**” means the *Mining Act* (Québec), CQLR c. M-13.1, and the Regulations adopted thereunder;

“**Mining Register**” means the register of real and immovable mining rights maintained by the MERN in accordance with the Mining Act;

“**Mining Work**” means every kind of work done solely and directly on or in respect of the Project or the products therefrom by or under the direction of or on behalf of or for the benefit of a party

and, without limiting the generality of the foregoing, includes permitting and permit applications, assessment work, geophysical, geochemical and geological surveying, studies and mapping, investigating, drilling, designing, examining, equipping, improving, surveying, shaft sinking, raising, crosscutting and drifting, searching for, digging, trucking, sampling, including but not limited to surface, subsurface and drill core sampling, voluntary and involuntary environmental rehabilitation work, working and procuring minerals, ores, metals, and concentrates, surveying and maintaining the Project in good standing and bringing any mineral claims or other interests to lease, reporting to governmental authorities on assessment work and all other work usually considered to be prospecting, exploration, development and mining work;

“**Orminex Royalty**” shall have the meaning ascribed thereto in Section 7.3(e);

“**Parties**” and “**Party**” shall have the meanings ascribed thereto in the preamble;

“**Payable Gold**” means marketable metal bearing material in the form of gold bars or coins that is refined to a minimum 995 parts per 1,000 fine gold and otherwise meets London Bullion Market Association good delivery rules and specifications for gold bars;

“**Permitted Encumbrances**” means those Encumbrances identified in Schedule “C-1”;

“**Person**” means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;

“**Physical Gold Payment**” shall have the meaning ascribed thereto in Section 2.6;

“**Production Activities**” means the processing of ores derived from the Project by the Purchaser resulting in the production of gold ounces, in a manner which does not result in a financial loss by the Purchaser;

“**Project**” shall have the meaning ascribed thereto in the Recitals;

“**Purchase Price**” shall have the meaning ascribed thereto in Section 2.1;

“**Representative**” means, with respect to any Person, any director, officer or employee of such Person and any agent, consultant, legal, accounting, financial or other advisor or other representative authorized by such Person to represent or act on behalf of such Person;

“**Rocmec Lease**” shall have the meaning ascribed thereto in the Recitals;

“**Rocmec Mining Rights**” means those mining rights fully described in in the Recitals and Schedule “A” hereto;

“**Royalties**” means the net smelter return and net metal royalties set forth in Schedule “C” *Permitted Encumbrances*;

“**Second Amount**” means an amount of \$1,500,000 payable by the Purchaser to the Vendor pursuant to Section 2.2(b);

“**Title Documents**” mean the necessary documents required to transfer title to the Denain Mining Rights and the Rocmec Mining Rights, as may be required;

“**Transfer Date**” means the day on which the Purchaser has satisfied the Purchase Price in full in accordance with Section 2.2;

“**Transaction**” shall have the meaning ascribed thereto in the Recitals;

“**Transaction Documents**” means collectively this Agreement, the Escrow Agreement and the Exploration Agreement;

“**Vendor Disclosure Letter**” means letter of the Vendor dated as of the date hereof and addressed to the Purchaser, set out as Schedule “I”;

“**Vendor’s Knowledge**” when used in a particular representation and warranty in this Agreement with respect to the Vendor, means the actual knowledge of Mr. Jean-Yves Thérien, Interim President and Chief Executive Officer of the Vendor, after reasonable inquiry;

“**Vendor Meeting**” means the annual and special meeting of the shareholders of the Vendor to be held to consider and, if thought fit, to approve the Transaction, together with such other matters as are required to effect the Transaction;

“**Vendor Royalty**” means the 1.0% net smelter royalty interest on gold extracted from certain parts of the Project as set out in Schedule “D”; and

“**Vendor Shareholder Resolution**” means the special resolution of the Shareholders of the Vendor approving the Transaction to be considered at the Vendor Meeting.

## 1.2 Certain Rules of Interpretation

In this Agreement:

- (a) **Time** – Time is of the essence in the performance of the Parties’ respective obligations.
- (b) **Business Day** – Whenever payment is to be made or action to be taken under this Agreement is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following such day.
- (c) **Including** – Where the word “including” or “includes” is used in this Agreement, it means “including (or includes) without limitation”.
- (d) **Currency** – a reference to currency, including the terms ‘\$’, ‘dollars’, or ‘CAD’ is a reference to the official currency of Canada unless the context requires otherwise.

### **1.3 Severability**

If any provision of this Agreement is determined to be void or unenforceable, in whole or in part, it shall be deemed not to affect or impair the validity of any other provision of this Agreement.

### **1.4 Entire Agreement**

Upon the Parties' execution of this Agreement, this Agreement shall constitute the entire agreement between the Parties pertaining to the subject matter of this Agreement and shall supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties, including without limitation, the exclusivity and due diligence deed with non-binding term sheet signed by the Parties dated 24 May, 2021. There are no warranties, representations or other agreements between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement.

### **1.5 Applicable Law**

This Agreement shall be governed in all respects by the laws in force in the Province of Québec.

## **ARTICLE 2 PURCHASE, SALE AND CONSIDERATION**

### **2.1 Purchase and Sale**

The Vendor hereby agrees and undertakes to assign, transfer and sell to the Purchaser on the Transfer Date all of its right, title and interest in and to the Project, free from all Encumbrances other than Permitted Encumbrances, including the Vendor Royalty that is hereby reserved in favour of the Vendor as provided in Schedule "D". The amount payable by Purchaser for the Project (the "**Purchase Price**"), exclusive of all applicable sales and transfer taxes, shall be the aggregate of:

- (a) the Initial Amount;
- (b) the Second Amount; and
- (c) the Final Amount.

### **2.2 Satisfaction of the Cash Portion of Purchase Price**

The Purchase Price shall be satisfied as follows, by cheque or wire in readily available funds:

- (a) on the Commencement Date, Purchaser shall pay Vendor the Initial Amount;
- (b) within six (6) months of the Commencement Date, Purchaser shall pay Vendor the Second Amount; and
- (c) within 364 days after the Commencement Date, Purchaser shall pay Vendor the Final Amount,

in each case by wire transfer of immediately available funds into the account designated by Vendor.

### **2.3 Exploration Program**

The Purchaser agrees to fund the Exploration Program in accordance with the Exploration Agreement in order for the Vendor to complete the Exploration Program by the earlier of (i) December 31, 2022; and (ii) the Transfer Date.

### **2.4 Interim Period, Management and Transfer Date**

- (a) Transfer of title of the Project from the Vendor to the Purchaser shall only occur upon the Purchaser having made the Final Payment and having paid the Purchase Price in full. Until such time, the Vendor shall remain the sole legal and registered owner of the Project and ensure that no Encumbrances (other than the Permitted Encumbrances and the Discharge Encumbrances) are registered on the Project, and the activities of the Purchaser during the Interim Period on the Project shall remain at all times subject to the terms and conditions outlined in this Agreement.
- (b) In the event this Agreement is terminated in accordance with Article 8, the Purchaser recognizes and acknowledges that any payment made by the Purchaser to the Vendor under Section 2.2 until such date of termination shall not be reimbursed to the Purchaser by the Vendor, and shall remain the sole and exclusive property of the Vendor.
- (c) Subject to the Exploration Agreement and Section 7.3 hereof, the Purchaser shall have the sole discretion as to exploration or development work to be performed on the Project during the Interim Period.

### **2.5 Delivery of Title Documents**

On the Commencement Date, the Vendor shall execute and deliver to the Escrow Agent the Title Documents, to be held under escrow and released by the Escrow Agent in accordance with this Agreement and the Escrow Agreement. Upon full payment of the Purchase Price as contemplated in Section 2.2 above, the Escrow Agent will release the Title Documents to the Purchaser for registration, the whole as provided in the Escrow Agreement.

### **2.6 Physical Gold Payment**

In addition to the Purchase Price, the Purchaser shall deliver to the Vendor 4,500 ounces of Payable Gold (the “**Physical Gold Payment**”), on an annual basis, within 48 months of the Commencement Date. Deliveries of Payable Gold shall be calculated via the following mechanism:

- (a) [REDACTED] [DELIVERIES OF PAYABLE GOLD WITHIN TWELVE MONTHS];

- (b) [REDACTED] [DELIVERIES OF PAYABLE GOLD WITHIN TWENTY-FOUR MONTHS];
- (c) [REDACTED] [DELIVERIES OF PAYABLE GOLD WITHIN THIRTY-SIX MONTHS];
- (d) [REDACTED] [DELIVERIES OF PAYABLE GOLD WITHIN FORTY-EIGHT MONTHS].

[REDACTED] [DELIVERIES OF PAYABLE GOLD]

Further to the above, deliveries of Payable Gold shall be subject to the following terms and conditions:

- (a) the Purchaser shall have discretion to accelerate delivery of the Physical Gold Payment;
- (b) concurrently with each delivery, the Purchaser shall deliver to the Vendor a statement setting out the number of ounces of Payable Gold being delivered and the estimated date and time of delivery;
- (c) the Vendor shall provide the Purchaser with settlement and delivery instructions to a location within Canada prior to any deliveries being made, and the Purchaser shall be entitled to rely on such instructions for all subsequent deliveries unless otherwise instructed by the Vendor;
- (d) the Vendor shall be responsible for all transportation and insurance costs in respect of any delivery of Payable Gold; and
- (e) Notwithstanding the foregoing, the Purchaser may satisfy all or part of the Physical Gold Payment by either (i) purchasing Payable Gold on the open market and delivering such Payable Gold to the Vendor, and in such case, the Parties agree to cooperate in this regard in order to facilitate such delivery; (ii) delivering to the Vendor Payable Gold from another source other than the Project, and in such case, the Parties agree to cooperate in this regard in order to facilitate such delivery; and (iii) paying to the Vendor a cash payment equal to the prevailing 28 day moving average gold price published by the London Bullion Market Association per ounce of Payable Gold delivered in cash, provided such cash alternative is consented to in writing by the Vendor.

### **ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

The Purchaser hereby represents and warrants (which representations and warranties shall survive the closing of the Transaction), as of the date of this Agreement and as of the Commencement Date, as follows:

### **3.1 Incorporation**

The Purchaser is a valid and subsisting corporation duly incorporated and in good standing under the laws of the Province of British Columbia and has all requisite corporate power and authority to carry on its business as presently conducted and as presently proposed to be conducted, and to own, lease and operate all of its assets.

### **3.2 No Conflict**

The entering into of this Agreement by the Purchaser and the consummation of the Transaction contemplated hereby does not and will not conflict with and does not and will not result in a breach of any of the terms, conditions or provisions of the constating documents or by-laws of the Purchaser or any statute, law or regulation applicable to the Purchaser or any agreement or instrument to which the Purchaser is a party.

### **3.3 Due Authorization**

This Agreement and the Transaction contemplated hereby have been duly authorized by all necessary corporate action on the part of the Purchaser and constitute valid obligations of the Purchaser legally binding upon it and enforceable against it in accordance with its terms, subject however to the usual limitations with respect to enforcement imposed by law in connection with bankruptcy or similar proceedings and the availability of equitable remedies. The Purchaser has all corporate power and authority necessary to complete the Transaction.

## **ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE VENDOR**

The Vendor hereby represents and warrants (which representations and warranties shall survive the closing of the Transaction), as of the date of this Agreement and as of the Commencement Date, as follows:

### **4.1 Incorporation**

The Vendor is a valid and subsisting corporation duly incorporated and in good standing under the laws of the Province of Québec and has all requisite corporate power and authority to carry on its business as presently conducted and as presently proposed to be conducted, and to own, lease and operate all of its assets. The Vendor is a resident of Canada within the meaning of the ITA and the *Taxation Act* (Québec), and has no intention of changing its residence.

### **4.2 No Conflict**

The entering into of this Agreement by the Vendor and the consummation of the Transaction contemplated hereby does not and will not conflict with and does not and will not result in a breach of any of the terms, conditions or provisions of the constating documents or by-laws of the Vendor or any statute, law or regulation applicable to the Vendor or any agreement or instrument to which the Vendor is a party.

### **4.3 Due Authorization**

Except for the Vendor Shareholder Resolution, this Agreement and the Transaction contemplated hereby have been duly authorized by all necessary corporate action on the part of the Vendor and constitute valid obligations of the Vendor legally binding upon it and enforceable against it in accordance with its terms, subject however to the usual limitations with respect to enforcement imposed by law in connection with bankruptcy or similar proceedings and the availability of equitable remedies. Upon approval of the Vendor Shareholder Resolution, the Vendor shall have all corporate power and authority necessary to complete the Transaction, subject to customary regulatory approvals, including, without limiting the foregoing, the approval of the Transaction by the Exchange.

### **4.4 Project Representations**

- (a) The Vendor is the sole legal and registered owner of a 100% undivided interest in the Rocmec Mining Rights, with good and marketable title thereto, and the Rocmec Mining Rights is duly recorded in the name of the Vendor, in each case, free and clear of all Encumbrances other than Permitted Encumbrances and the Discharge Encumbrances;
- (b) The Vendor is the sole legal and registered owner of a 85% undivided interest in the Denain Mining Rights, with good and marketable title thereto, and its interest in the Denain Mining Rights is duly recorded in the name of the Vendor, in each case, free and clear of all Encumbrances other than Permitted Encumbrances and the Discharge Encumbrances;
- (c) The Vendor has provided the Purchaser copies of all maps, reports, assay results and other relevant technical data compiled by or in the possession of the Vendor with respect to the Project;
- (d) The Vendor has not made, committed, executed or suffered any act, deed, matter or thing whereby its interest in the Project may be subject to an Encumbrance in title or otherwise with the exception of any Permitted Encumbrances;
- (e) The mining claims and mining lease forming part of the Project are in good standing and no event, condition or occurrence exist that, after notice or lapse of time or both, would constitute a default under such mining claims and/or mining lease;
- (f) Schedule "A" to this Agreement sets forth: (i) the record and anniversary dates for each claim forming part of the Rocmec Tenement; and (ii) the aggregate amount of fees and work expenditures required to maintain such claims in good standing, together with work expenditures incurred by the Vendor during the period from January 1, 2021 to the date of this Agreement;
- (g) Schedule "B" to this Agreement sets forth: (i) the record and anniversary dates for each claim forming part of the Denain Tenement; and (ii) the aggregate amount of fees and work expenditures required to maintain such claims in good standing,

together with work expenditures incurred by the Vendor during the period from January 1, 2021 to the date of this Agreement;

- (h) The mining claims and mining lease forming part of the Project, as described in Schedule "A" and Schedule "B", are not located, in whole or in part in an agricultural zone within the meaning of an *Act respecting the preservation of agricultural land and agricultural activities*, CQLR c.P-41.1;
- (i) All taxes, duties or other payments and charges due with respect to the Project have been paid in full, except as otherwise disclosed to the Purchaser in the Vendor Disclosure Letter;
- (j) There are no actions, suits or proceedings pending or threatened against or affecting the Project;
- (k) The transfer of the mining claims and mining lease to the Vendor did not and does not, and the transfer of the mining claims and mining lease to the Purchaser pursuant to the Transaction will not, conflict with and does not and will not result in a breach of, any of the terms, conditions or provisions of any of the Royalties, and all such transfers have been and will be conducted in compliance with the terms and requirements of the Royalties;
- (l) The Vendor has not received any notice, whether written or oral, from any governmental entity or any person with jurisdiction or applicable authority of any revocation or intention to revoke the Vendor's interest in the Project;
- (m) All assessment work, reclamation obligations, taxes, assessments, payments, fees and other governmental charges applicable to or imposed on the Project which were due to be paid or performed on or before the date of this Agreement have been paid or performed in full to date, except as otherwise disclosed to the Purchaser in the Vendor Disclosure Letter;
- (n) There is no adverse claim or challenge against or to the recorded or leasehold interest of the Vendor in and to the Project, there are no outstanding agreements or options to acquire or purchase the Project or any portion thereof, and no person other than the holders of the Royalties has any royalty or other interest whatsoever in production from the Project;
- (o) The Vendor, there are no ongoing claims or actions taken or pending by or on behalf of any First Nation, Inuit or other indigenous persons with respect to the Project;
- (p) All Mining Work carried out on the Project by the Vendor has been done in compliance with all applicable laws and regulations;

#### **4.5 Environmental**

- (a) The Vendor, the Project and all operations thereon have been and are in material compliance with Environmental Laws;

- (b) The Vendor has not used or permitted to be used, except in material compliance with Environmental Laws, any of the Project to release, dispose, recycle, generate, manufacture, process, distribute, use, treat, store, transport or handle any Hazardous Substance;
- (c) To the Vendor's Knowledge, there is no presence of any Hazardous Substance on, in or under any of the immovables on which the Project is located;
- (d) Neither the Vendor, the Project, nor the immovables on which the Project is located is subject to any current, or any pending or to the Vendor's Knowledge threatened claims, suits, proceedings, orders, notices, directions or demands with respect to any Environmental Laws applicable thereto or Hazardous Substances; and
- (e) The Vendor, during the time it has owned the Project, has not had any environmental audit, assessment, study, test or notice from any applicable Governmental Authority under applicable Environmental Laws relating to the Project or the immovables on which the Project is located, including any environmental and social impact assessment study reports.

#### **4.6 Employees**

Except as disclosed in the Vendor Disclosure Letter, no Vendor employees are associated with the Project.

#### **4.7 Project is capital property**

The assets included in the Project are capital properties to the Vendor for the purposes of the ITA and are not inventory used in a business or in an adventure in the nature of a trade by the Vendor.

#### **4.8 Insolvency**

No proceedings are pending for, and the Vendor is unaware of any basis for the institution of any proceedings leading to, the placing of the Vendor in bankruptcy or subject to any other laws governing the affairs of insolvent persons.

### **ARTICLE 5 CONDITIONS IN FAVOUR OF THE PURCHASER**

The obligation of the Purchaser to complete the purchase of the Project under this Agreement is subject to the satisfaction of, or compliance with, at or before the Commencement Date, each of the following conditions precedent (each of which is acknowledged to be inserted for the exclusive benefit of the Purchaser and may be waived by the Purchaser in whole or in part).

#### **5.1 Truth and Accuracy of Representations of Vendor at the Commencement Date**

All of the representations and warranties of the Vendor made in or pursuant to this Agreement shall be true and correct as at the Commencement Date (other than representations and warranties that are made as of a specific date, which representations and warranties shall have been true and

correct as of such date) and with the same effect as if made at and as of the Commencement Date (except as such representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted by this Agreement) and the Purchaser shall have received certificate from the Vendor or a senior officer of the Vendor, as applicable, confirming the foregoing on behalf of the Vendor.

## **5.2 Performance of Obligations**

The Vendor shall have performed or complied with all of its obligations and covenants under this Agreement and the Purchaser shall have received certificate from the Vendor or a senior officer of the Vendor, as applicable, confirming on behalf of the Vendor such performance or compliance.

## **5.3 Receipt of Vendor Documentation**

The Purchaser shall have received:

- (a) a certificate of an officer of the Vendor certifying that (A) attached are true and correct resolutions of the shareholders and the board of directors of the Vendor authorizing the execution, delivery and performance of this Agreement and the other Transaction Documents to which it is a party and the consummation of the transactions contemplated therein, (B) all such resolutions are in full force and effect and have not been repealed or contravened; and (C) such resolutions constitute all the resolutions adopted in connection with the transactions contemplated therein;
- (b) counterparts to the Escrow Agreement, duly executed by the Vendor and the Escrow Agent, in form satisfactory to the Purchaser, along with confirmation in writing from the Escrow Agent that the Title Documents have been properly signed and delivered by the Vendor and are held in escrow in accordance with the Escrow agreement;
- (c) counterparts to the Exploration Agreement duly executed by the Vendor, in form satisfactory to the Purchaser;
- (d) a certificate of good standing (or its equivalent) with respect to the Vendor a dated no earlier than five (5) Business Days prior to the Commencement Date;
- (e) to the extent permitted under the Mining Act, evidence that the Agreement has been registered on the Mining Register against title to the Rocmec Mining Rights and the Denain Mining Rights ;
- (f) all data relating to the Project in the control or possession of the Vendor (whether in paper or digital form); and
- (g) all such other documentation or evidence as is necessary to establish the consummation of the Transaction and the taking of all required corporate proceedings by the Vendor in connection with such Transaction.

## **ARTICLE 6 CONDITIONS IN FAVOUR OF THE VENDOR**

The obligation of the Vendor to complete the sale of the Project under this Agreement shall be subject to the satisfaction of or compliance with, at or before the Commencement Date, each of the following conditions precedent (each of which is acknowledged to be inserted for the exclusive benefit of the Vendor and may be waived by the Vendor in whole or in part).

### **6.1 Truth and Accuracy of Representations of the Purchaser at Closing Time**

The representations and warranties of the Purchaser and the Guarantor made in or pursuant to this Agreement shall be true and correct as at the Commencement Date (other than representations and warranties that are made as of a specific date, which representations and warranties shall have been true and correct in all material respects as of such date) and with the same effect as if made at and as of the Commencement Date (except as such representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted by this Agreement) and the Vendor shall have received a certificate from a senior officer of the Purchaser confirming the foregoing on behalf of the Purchaser.

### **6.2 Receipt of Purchaser Documentation**

The Vendor shall have received:

- (a) authorization to consummate the Transaction pursuant to the Vendor Shareholder Resolution;
- (b) authorization to consummate the Transaction from the Exchange;
- (c) receipt of the Initial Amount;
- (d) counterparts to the Escrow Agreement, duly executed by the Purchaser, in form satisfactory to the Vendor;
- (e) executed counterparts to the Exploration Agreement in form satisfactory to the Vendor;
- (f) evidence, in a form satisfactory to the Vendor, that Purchaser has received additional equity funding in the amount at least equal to (i) the Initial Amount; (ii) and the funding required for the Exploration Program; and
- (g) all such other documentation or evidence as is necessary to establish the consummation of the Transaction and the taking of all required corporate proceedings by the Purchaser in connection with such Transaction.

## ARTICLE 7 COVENANTS

### 7.1 Registration of Transfer

- (a) From and after the Transfer Date, until such time as the transfer and registration of the Project has been fully registered by MERN in the name of the Purchaser, the Vendor shall take all such actions and do all such things, executed and deliver all such instruments, agreements, documents and notices in order to give effect to the Transaction and to ensure that the Purchaser has all rights at law of a holder of claims and leases.
- (b) If requested by the Purchaser, the Vendor shall collaborate without delay with the execution of a deed evidencing the Transaction to be registered at the land register containing the provisions required by the *Act respecting duties on transfers of immovables* (Québec). If the deed evidencing the Transaction is not registered in the land register on or before the ninetieth day after the Transfer Date, the Purchaser shall at its own cost prepare and file on or before that ninetieth day following the Transfer Date a notice of disclosure of the Transaction containing the information listed in section 10.1 of the *Act respecting duties on transfers of immovables* (Québec) with the municipality or municipalities in whose territory the Project is situated.
- (c) The Vendor agrees to assist the Purchaser in providing the information listed in section 10.1 of the *Act respecting duties on transfers of immovables* (Québec) summarized hereinafter:
- Name and address of head office or principal place of business of the Purchaser and of the Vendor;
  - the Québec business number assigned to it under the Act respecting the legal publicity of enterprises (chapter P-44.1) or the identification number assigned to it by the Minister of Revenue, if applicable, of the Purchaser and of the Vendor;
  - the name, position and contact information of each person authorized to act on behalf of the Purchaser and of the Vendor;
  - the name of the members of a professional order who have rendered services to the Purchaser and the Vendor in the course of the transfer of the immovable;
  - the identity of the owner of the Project that appears in the deed registered in the land register;
  - the other particulars that must appear in the application for registration in the land register of a deed evidencing the transfer of

an immovable under the first paragraph of section 9 of the Act respecting duties on transfers of immovables (Québec), as set out in Article 12;

- copy of the private writing evidencing the transfer of the Project.
- (d) In furtherance of the foregoing covenants, each Party shall take all such actions and do all such things, executed and deliver all such instruments, agreements, documents, notices and filings in order to give effect to the transactions contemplated by this Agreement. The Parties shall cooperate in the preparation, submission, execution and delivery of all such instruments, agreements, documents, notices and filings. The Parties shall request expedited treatment of any such filings and shall promptly make, prepare, execute and deliver any appropriate or necessary subsequent or supplemental instruments, agreements, documents, notices and filings in order to give effect to the transactions contemplated by this Agreement.

## **7.2 Discharge of Encumbrances**

The Vendor covenants and agrees to direct the proceeds of the Transaction to satisfy any obligations necessary to achieve the release and removal of the Discharge Encumbrances prior to the Transfer Date and to provide evidence of discharge to the Purchaser in a form acceptable to the Purchaser, acting reasonably.

## **7.3 Access to the Project**

- (a) From the Commencement Date of and for period of 48 months thereafter, the Purchaser shall permit the Vendor and its Representatives to have reasonable access during normal business hours to the Project, upon reasonable advance notice and express consent of the Purchaser (such consent to not be unreasonable withheld), for the purposes of continuing research and development of the Dragon Technology. Access will be granted on conditions to be determined by the Purchaser in its absolute discretion from time to time. The Vendor covenants to (A) comply with the reasonable requirements of the Purchaser and its safety officers, (B) undertake such access to the Project at its own cost, and (C) promptly reimburse Purchaser for any costs reasonably incurred by the Purchaser that directly relate to the provision of such access.
- (b) Pursuant to the access to the Project granted by the Purchaser under Section 7.3(a) above, the Vendor will be permitted to extract and exploit product from the Project in demonstration of its Dragon Technology, including [REDACTED] [AREAS WHERE ACCESS IS GRANTED], and to retain any revenue received on the sale of the product so extracted and exploited, providing that the Vendor will promptly reimburse any costs incurred by the Purchaser in relation to such extraction and exploitation, if any.

- (c) Pursuant to the access to the Project granted by the Purchaser under Section 7.3(a) above, the Vendor will also be entitled to extract product from the stockpile of approximately 3,000 tonnes currently on the Rocmec Tenement, and to retain any revenue received on the sale of the product so extracted, providing that the Vendor will promptly reimburse any costs incurred by the Purchaser in relation to such extraction and exploitation, if any.
- (d) From the Commencement Date of and for period of 48 months thereafter, the Purchaser shall ensure that the Project is maintained in good standing and the facilities erected thereon or thereunder are accessible and operational so as to allow the Vendor to continue its research and development activities of the Dragon Technology in accordance with Section 7.3(a), and the Purchaser shall allow the Vendor to store its supplies thereon.
- (e) The Purchaser shall be entitled to receive a [REDACTED] [PERCENTAGE OF NSR]% net smelter royalty interest on gold extracted by the Vendor from the Project in accordance with Section 7.3(c), calculated as set out in Schedule “E” (the “**Orminex Royalty**”), provided that the first 900 ounces of gold produced from ore extracted from the Project and which will be used to satisfy its forward-sold commitments shall not be subject to the Orminex Royalty.

#### **7.4 Royalties**

- (a) The Vendor covenants and agrees to cooperate with the Purchaser to obtain, prior to the Commencement Date, an assignment and assumption agreement in form acceptable to the Purchaser, acting reasonably, from each party which is a payee under the Royalties or any other royalty agreement relating to the Project.
- (b) The Vendor and the Purchaser agree to cooperate with respect to the preparation of standalone royalty agreements in a form satisfactory to the Parties in the event the Parties consider it expedient to evidence the Vendor Royalty or Orminex Royalty, as applicable.
- (c) [REDACTED] [VENDOR COVENANTS TO A JOINT VENTURE]

#### **7.5 Covenants of the Purchaser**

The Purchaser hereby covenants and agrees with the Vendor that it shall, from the Commencement Date:

- (a) in collaboration with the Vendor pursuant to the Exploration Agreement, keep the Project in good standing at all times until it fulfils its obligations pursuant to Section 2.6, including paying the expenses related to the care and maintenance of the Project detailed in the attached Schedule “F”;
- (b) in collaboration with the Vendor pursuant to the Exploration Agreement, carry out and record or cause to be carried out and recorded all such assessment work upon

the Project as may be required in order to maintain the Project in good standing at all times until it fulfils its obligations pursuant to Section 2.6;

- (c) in collaboration with the Vendor pursuant to the Exploration Agreement, file all exploration work as assessment work to the maximum allowable extent until it fulfils its obligations pursuant to Section 2.6;
- (d) carry on all operations on the Project in compliance with all applicable governmental regulations and restrictions until it fulfils its obligations pursuant to Section 2.6;
- (e) not do any act or thing which would or might in any way adversely affect the rights of the Vendor hereunder until it fulfils its obligations pursuant to Section 2.6; and
- (f) conduct all work on or with respect to the Project in a careful and miner like manner and in compliance with all applicable federal, provincial and local laws, rules, orders and regulations, and indemnify and save the Vendor harmless from any and all claims, suits, actions made or brought against him as a result of work done by the Purchaser on or with respect to the Project during the Interim Period.

## 7.6 Guarantee

- (a) The Guarantor hereby unconditionally and irrevocably guarantees to the Vendor, solidarily with the Purchaser, the timely and complete performance and payment of all obligations and covenants of the Purchaser under this Agreement (the “**Purchaser Obligations**”). The Guarantor agrees that nothing contained herein shall prevent the Vendor from exercising any and all rights or remedies under this Agreement if any of the Purchaser or the Guarantor fail to perform the Purchaser Obligations in a timely manner, and the exercise of any of the aforesaid rights and the completion of any actions or proceedings related thereto shall not constitute a discharge of any of the obligations of the Guarantor hereunder, it being the express purpose and intent of the Guarantor that its obligations hereunder shall be absolute, independent and unconditional under any and all circumstances.
- (b) The Guarantor hereby represents and warrants to the Vendor as follows:
  - (i) the Guarantor is a corporation duly incorporated and validly existing under the laws of the jurisdiction of its incorporation;
  - (ii) the Guarantor has all necessary corporate power, authority and capacity to enter into and perform its obligations under this Agreement; and
  - (iii) this Agreement constitutes a valid and binding obligation of the Guarantor, enforceable against the Guarantor in accordance with its terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforcement of creditors’ rights generally and to the fact that equitable remedies, including specific performance, are discretionary and may not be ordered in respect of certain defaults.

## **7.7 Vendor**

The Vendor shall use reasonable commercial efforts to hold the Vendor Meeting in accordance with applicable law and the rules of the Exchange as soon as reasonably practical, and in any event on or before October 29, 2021. The Vendor shall use reasonable efforts to solicit proxies in favour of the Vendor Shareholder Resolution and against any resolution submitted at the Vendor Meeting that is inconsistent with the Vendor Shareholder Resolution or the completion of the transactions contemplated in this Agreement. The Vendor shall provide the Purchaser with copies of all materials delivered to shareholders of the Vendor in connection with the Vendor Meeting and shall keep the Purchaser apprised of the aggregate tally of proxies received by the Vendor for the Vendor Meeting.

## **ARTICLE 8 TERMINATION**

### **8.1 Termination**

This agreement may only be terminated:

- (a) by mutual written consent of the Parties at any time;
- (b) by the Vendor should the Purchaser fail to complete any of the payments on the date upon which such payments are due in accordance to Section 2.2, subject to the provisions of Section 8.2.

### **8.2 Purchaser Default**

In addition to termination of this Agreement pursuant to Section 8.1, if the Purchaser fails to do anything on or before the last day provided for such performance under this Agreement, the Vendor may terminate this Agreement only if:

- (a) it shall have first given to the Purchaser written notice of the failure containing particulars of the act which the Purchaser has not performed; and
- (b) subject always to the provisions of this Article 8, the Purchaser has not, within forty-five (45) days following delivery of such notice, given notice to the Vendor that it has cured such failure.

### **8.3 Effect of Termination**

If this Agreement is terminated, the Purchaser shall:

- (a) in collaboration with the Vendor, record or cause to be recorded all such assessment work upon the Project not yet recorded by the Purchaser up to the date of termination;

- (b) deliver to the Vendor, at no cost to the Vendor, copies of all reports, maps, assay results and other relevant technical data in the possession of the Purchaser with respect to the Project; and
- (c) perform or secure the performance of all reclamation and environmental rehabilitation as may be required by all applicable legislation following the work incurred by the Purchaser on the Project.

## **ARTICLE 9 INDEMNIFICATION**

The representations, warranties and covenants given in Articles 3, 4 and 7 constitute conditions on which the Parties have relied in entering into this Agreement. Each Party shall indemnify and save harmless the other Party from any loss, damage or cost (including without limitation reasonable legal fees and disbursements) that arises as a result of or in connection with any claim whatsoever including any demand, action, motion, application, cause of action, dispute, trial, suit, administrative proceeding, quotation or re-quotation, order, judgement, decree or arbitral award, resulting from: (a) any non-fulfilment or breach of any covenant or agreement on the part of the Party contained in this Agreement or in any certificate or other document furnished by or on behalf of the Party pursuant to this Agreement; (b) and any misrepresentation or any incorrectness in or breach of any representation or warranty of the Party in this Agreement or in any certificate or other document furnished by or on behalf of the Party pursuant to this Agreement.

## **ARTICLE 10 CONFIDENTIALITY**

- (a) The Parties and their respective Affiliates shall not issue or make any reports, statements or releases to the public with respect to this Agreement or the transactions contemplated herein without the written consent of Purchaser and Vendor. The Parties and their respective Affiliates shall not issue or make any reports, statements or releases to the public with respect to the commercial terms of (i) this Agreement or the (ii) transactions contemplated herein, without the written consent of Purchaser and Vendor. However, the Parties and their respective Affiliates shall not be prohibited from issuing or making any reports, statements or releases to the public in order to comply with is required to disclose pursuant to applicable law or stock exchange rules.
- (b) From and after the date of this Agreement, the Vendor shall, and shall cause each of its Affiliates and each of its and their respective Representatives to, keep confidential all information relating to the Project, other than information that:
  - (i) is part of the public domain as of the date of this Agreement;
  - (ii) becomes part of the public domain on or after the date of this Agreement other than as a result of a breach of these provisions by the Vendor;
  - (iii) was received in good faith after date of this Agreement from an Independent Person who was lawfully in possession of such information free of any obligation of confidentiality; or

- (iv) the Vendor or any of its Affiliates is required to disclose pursuant to applicable law or stock exchange rules.
- (c) From and after the date of this Agreement, each of the Vendor and the Purchaser shall, and shall cause each of their Affiliates and each of its and their Affiliates' Representatives to, keep confidential this Agreement, the Transaction Documents and all information disclosed to it in connection with the Transactions by or on behalf of the other Party and relating to the other Party, except information that:
  - (i) is part of the public domain as of the date of this Agreement;
  - (ii) becomes part of the public domain on or after the date of this Agreement other than as a result of breach of these provisions;
  - (iii) can be demonstrated to have been known or available to such Person before receipt of such information from the other Party or independently developed by such Person;
  - (iv) was received in good faith from an Independent Person, who was lawfully in possession of such information free of any obligation of confidentiality; or
  - (v) such Person or any of its Affiliates is required to disclose pursuant to applicable law or stock exchange rules.

**ARTICLE 11**  
**DECLARATIONS OF THE PARTIES CONCERNING THE GOODS AND SERVICES**  
**TAX (GST) AND THE QUEBEC SALES TAX (QST)**

The mining claims and lease comprising the Project are rights contemplated in subsection 162(2) of the *Excise Tax Act* (Canada) and section 40 of *An Act respecting the Québec Sales Tax* and as such are deemed not to be supplies for GST and QST purposes. Consequently, any consideration paid or due under the present Agreement in respect of the mining claims and lease shall be deemed not to be consideration for the supply of such mining rights.

**ARTICLE 12**  
**INFORMATION REQUIRED BY ARTICLE 9 OF THE ACT RESPECTING DUTIES ON**  
**TRANSFERS OF IMMOVABLES (QUÉBEC)**

The Parties hereby declare as follows:

- (a) their respective names and addresses are indicated above;
- (b) the Project is located in the province of Québec;
- (c) the assets subject to the transfer do not include movables referred to in section 1.0.1 of the *Act respecting duties on transfers of immovables* (Québec);

- (d) the amount of the consideration for the transfer of the immoveable, according to the Parties, is an amount equal to the Purchase Price;
- (e) the amount constituting the basis of imposition for the transfer duties, according to the Parties, is an amount equal to the Purchase Price;
- (f) the amount of the transfer duty is the amount equal to (i) 0.5% of the first \$51,700 of the Purchase Price, plus (ii) 1% of the amount of the Purchase Price in excess of \$51,700, plus (iii) 1.5% of the amount of the Purchase Price in excess of \$258,600 (the transfer duty shall be payable by the Purchaser to the extent the exemption set forth in Article 12(g) would not be available and the Purchaser shall indemnify the Vendor in respect of any liabilities, costs or expenses incurred by the Vendor, its Affiliates or directors in respect of such transfer duty); and
- (g) pursuant to Section 17(e) of the *Act respecting duties on transfers of immovables* (Québec), the transfer of the rights, title and interest of the Vendor in and to the Project is exempt from the payment of transfer duties since the Project is constituted of immovables referred to in Section 8 of the *Mining Act* (Québec) (any such duties are otherwise payable by the Purchaser and the Purchaser shall indemnify the Vendor in respect of any liabilities, costs or expenses incurred by the Vendor, its Affiliates or directors in respect of such duties).

### **ARTICLE 13 GENERAL**

#### **13.1 Notices**

Any notice or other writing required or permitted to be given under this Agreement or for the purposes of this Agreement (in this Section referred to as a “**Notice**”) shall be in writing and shall be sufficiently given if delivered, or if sent by prepaid registered mail or if transmitted electronically to such Party:

- (a) in the case of a Notice to the Vendor at:

**NIPPON DRAGON RESOURCES INC.**  
500-7055 Boul. Taschereau  
Brossard, QC J4Z 1A7 Canada  
Attention: Fabien Miller, Director  
email: Fabien@nemesisintelligence.com

- (b) in the case of a Notice to the Purchaser at:

**ORMINEX CANADA LTD.**  
700-1055 W Hastings St  
Vancouver, BC V6E 2E9 Canada  
Attention: Matthew Nixon  
email: mnixon@orminex.com.au

with a copy to:

Osler, Hoskin & Harcourt LLP  
1055 W Hastings, Suite 1700  
Vancouver, British Columbia, V6E 2E9 Canada  
Attention: Alan Hutchison  
Email: ahutchison @osler.com

(c) in the case of a Notice to the Guarantor at:

**ORMINEX LIMITED**  
Suite 5, Level 1, 460 Roberts Road  
Subiaco Western Australia 6008  
Attention: Matthew Nixon  
email: mnixon@orminex.com.au

with a copy to:

Osler, Hoskin & Harcourt LLP  
1055 W Hastings, Suite 1700  
Vancouver, British Columbia, V6E 2E9 Canada  
Attention: Alan Hutchison  
Email: ahutchison @osler.com

or at such other address as the Party to whom such Notice is to be given shall have last notified the Party giving the same in the manner provided in this Section 13.1. Any Notice delivered to the Party to whom it is addressed as provided above shall be deemed to have been given and received on the day it is so delivered at such address, provided that if such day is not a Business Day then the Notice shall be deemed to have been given and received on the next Business Day. Any Notice sent by prepaid registered mail shall be deemed to have been given and received on the fifth Business Day following the date of its mailing.

### **13.2 Further Assurances**

The Parties shall with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the Transaction contemplated by this Agreement, and each Party shall provide such further documents or instruments (notarial, by private writing or otherwise) required by the other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions.

### **13.3 Expenses**

Each of the Parties shall be responsible for their own expenses in connection with the Transaction.

### **13.4 Amendment**

This Agreement may not be amended or modified except by a written document executed by each of the Parties.

### **13.5 Execution and Delivery**

This Agreement may be executed by the Parties in counterparts and the counterparts may be executed and delivered by electronic means, with all counterparts together constituting one agreement.

### **13.6 Assignment**

Neither this Agreement nor any right, interest or obligation hereunder may be assigned by any Party by merger, amalgamation, operation of law or otherwise without the prior written consent of the other Party, except that, from and after the Closing, the Purchaser may (without the consent of the Vendor) collaterally assign this Agreement or any of its rights, interests or obligations hereunder to any Person providing financing to the Purchaser or its Affiliates, but, in each case, no such assignment shall release Purchaser of its obligations under this Agreement.

### **13.7 Binding Effect**

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

### **13.8 Language**

The Parties have agreed that this Agreement and all contracts, documents and notices relating to this Agreement be drawn up in the English language. *Les parties aux présentes ont convenu que le présent contrat et tous les autres contrats, documents ou avis afférents aux présentes soient rédigés en langue anglaise.*

*[Signature page follows]*

**IN WITNESS OF WHICH** the Parties have duly executed this Agreement as of the date first written above.

**ORMINEX CANADA LTD.**

By : (s) Dean Hely  
Name : Dean Hely  
Title : Director

**ORMINEX LIMITED**

By : (s) Mel Ashton  
Name : Mel Ashton  
Title : Director

**NIPPON DRAGON RESOURCES INC.**

By : (s) Jean-Yves Thérien  
Name : Jean-Yves Thérien  
Title : Interim President and CEO

## SCHEDULE "A"

### ROCMEC MINING RIGHTS LISTING

Ressources Nippon Dragon Inc. (94041) – 100%

The Rocmec Mining Rights project are comprised within NTS Sheets 32D03, 32D04, 32D05 and 32D06

Administrative Region of Abitibi-Témiscamingue

MRC Rouyn-Noranda

Municipality of Rouyn-Noranda

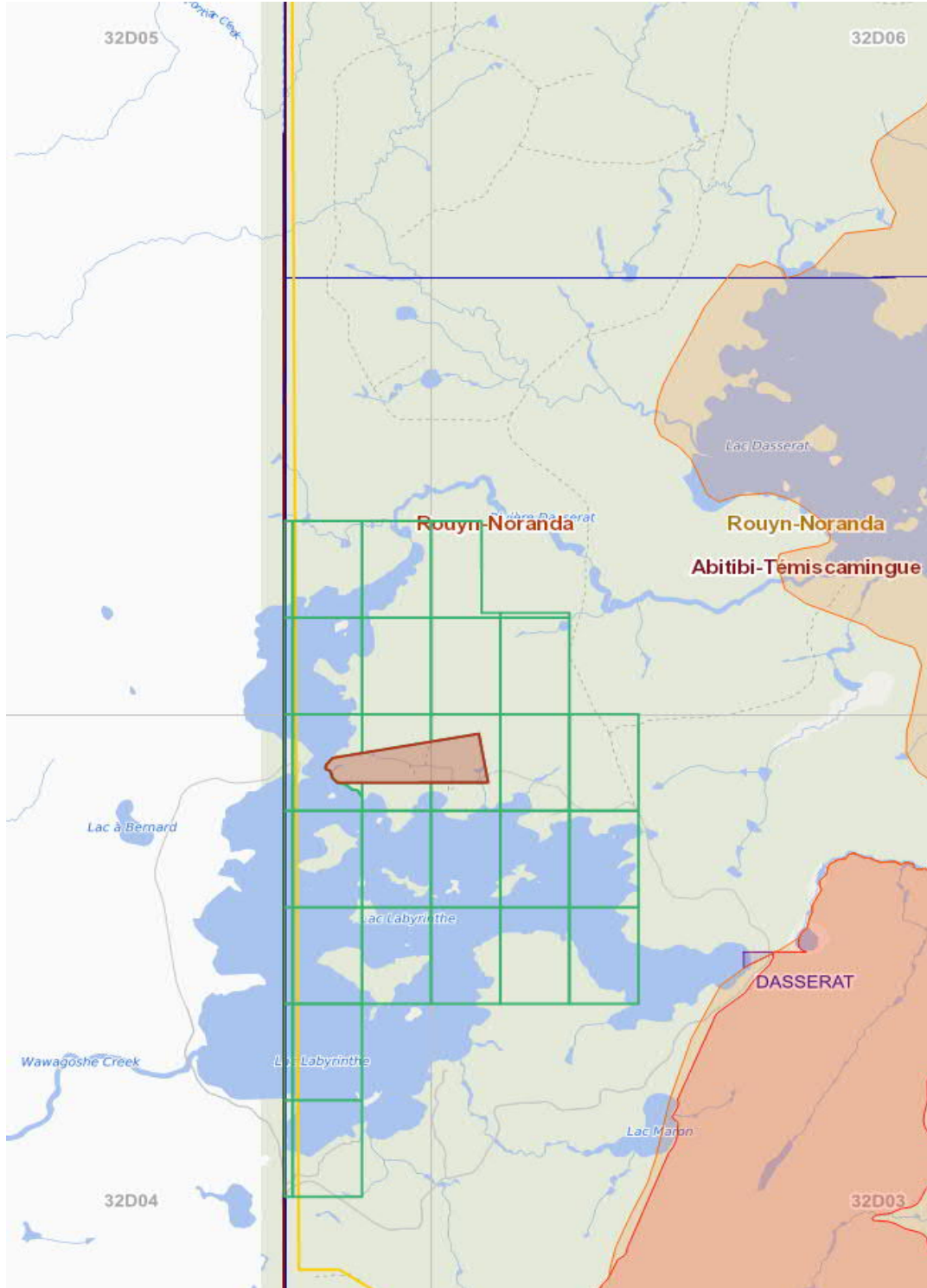
Title No.	Reg. Date	Expiry Date	Area (Ha)	Excess Work \$	Required Work \$	Required Fees \$	Renewal File Being Processed	Work File Being Processed	Comments
BM869	18-06-2010	17-06-2030	48.74	0			No	No	Relocation file 32-1742
CDC2477686	24-02-2017	16-01-2023	16.65	1060	1000	34.25	No	No	Enlargement 42.2, 09-02-2018 Ministerial decision 09-04-2020 (32-22283)
CDC2477687	24-02-2017	16-01-2023	19.7	1040.38	1000	34.25	No	No	Enlargement 42.2, 09-02-2018 Ministerial decision 09-04-2020 (32-22283)
CDC2477688	24-02-2017	16-01-2023	6.75	2060	1000	34.25	No	No	Ministerial decision 09-04-2020 (32-22283)
CDC2477689	24-02-2017	16-01-2023	48.92	2060	2500	67	No	No	Enlargement 42.2, 19-01-2018 Ministerial decision 09-04-2020 (32-22283)
CDC2477690	24-02-2017	16-01-2023	1.03	1060	1000	34.25	No	No	Ministerial decision 09-04-2020 (32-22283)
CDC2477691	24-02-2017	16-01-2023	6.76	2060	1000	34.25	No	No	Ministerial decision 09-04-2020 (32-22283)
CDC2477692	24-02-2017	16-01-2024	57.31	0	2500	67	No	No	Enlargement 42.2, 18-05-2017
CDC2477693	24-02-2017	16-01-2024	6.67	60	1000	34.25	No	No	Enlargement 42.2, 18-05-2017
CDC2477694	24-02-2017	16-01-2024	57.3	0	2500	67	No	No	Enlargement 42.2, 18-05-2017
CDC2477695	24-02-2017	16-01-2024	6.7	60	1000	34.25	No	No	
CDC2477696	24-02-2017	16-01-2024	57.33	0	2500	67	No	No	Enlargement 42.2, 08-02-2018

Title No.	Reg. Date	Expiry Date	Area (Ha)	Excess Work \$	Required Work \$	Required Fees \$	Renewal File Being Processed	Work File Being Processed	Comments
CDC2477697	24-02-2017	16-01-2024	6.67	60	1000	34.25	No	No	
CDC2477698	24-02-2017	16-01-2024	57.34	0	2500	67	No	No	Enlargement 42.2, 08-02-2018
CDC2477699	24-02-2017	16-01-2024	6.7	60	1000	34.25	No	No	
CDC2477700	24-02-2017	16-01-2024	57.35	0	2500	67	No	No	Enlargement 42.2, 08-02-2018
CDC2477701	24-02-2017	16-01-2023	6.71	2060	1000	34.25	No	No	Enlargement 42.2, 09-02-2018 Ministerial decision 09-04-2020 (32-22283)
CDC2477702	24-02-2017	16-01-2024	57.36	60	1000	67	No	No	Enlargement 42.2, 08-02-2018, 13-04-2021
CDC2477703	24-02-2017	16-01-2024	57.31	0	2500	67	No	No	Enlargement 42.2, 18-05-2017
CDC2477704	24-02-2017	16-01-2024	57.34	0	2500	67	No	No	Enlargement 42.2, 08-02-2018
CDC2477705	24-02-2017	16-01-2024	57.3	0	2500	67	No	No	Enlargement 42.2, 18-05-2017
CDC2477706	24-02-2017	16-01-2024	42.56	0	2500	67	No	No	Enlargement 42.2, 18-05-2017
CDC2477707	24-02-2017	16-01-2024	2.8	60	1000	34.25	No	No	Enlargement 42.2, 18-05-2017
CDC2477708	24-02-2017	16-01-2024	57.31	0	2500	67	No	No	Enlargement 42.2, 18-05-2017
CDC2477709	24-02-2017	16-01-2024	57.31	0	2500	67	No	No	Enlargement 42.2, 18-05-2017
CDC2477710	24-02-2017	16-01-2024	57.33	0	2500	67	No	No	Enlargement 42.2, 09-02-2018
CDC2477711	24-02-2017	16-01-2024	57.33	0	2500	67	No	No	Enlargement 42.2, 09-02-2018
CDC2477712	24-02-2017	16-01-2024	57.32	0	2500	67	No	No	Enlargement 42.2, 08-02-2018
CDC2477713	24-02-2017	16-01-2024	57.33	0	2500	67	No	No	Enlargement 42.2, 09-02-2018

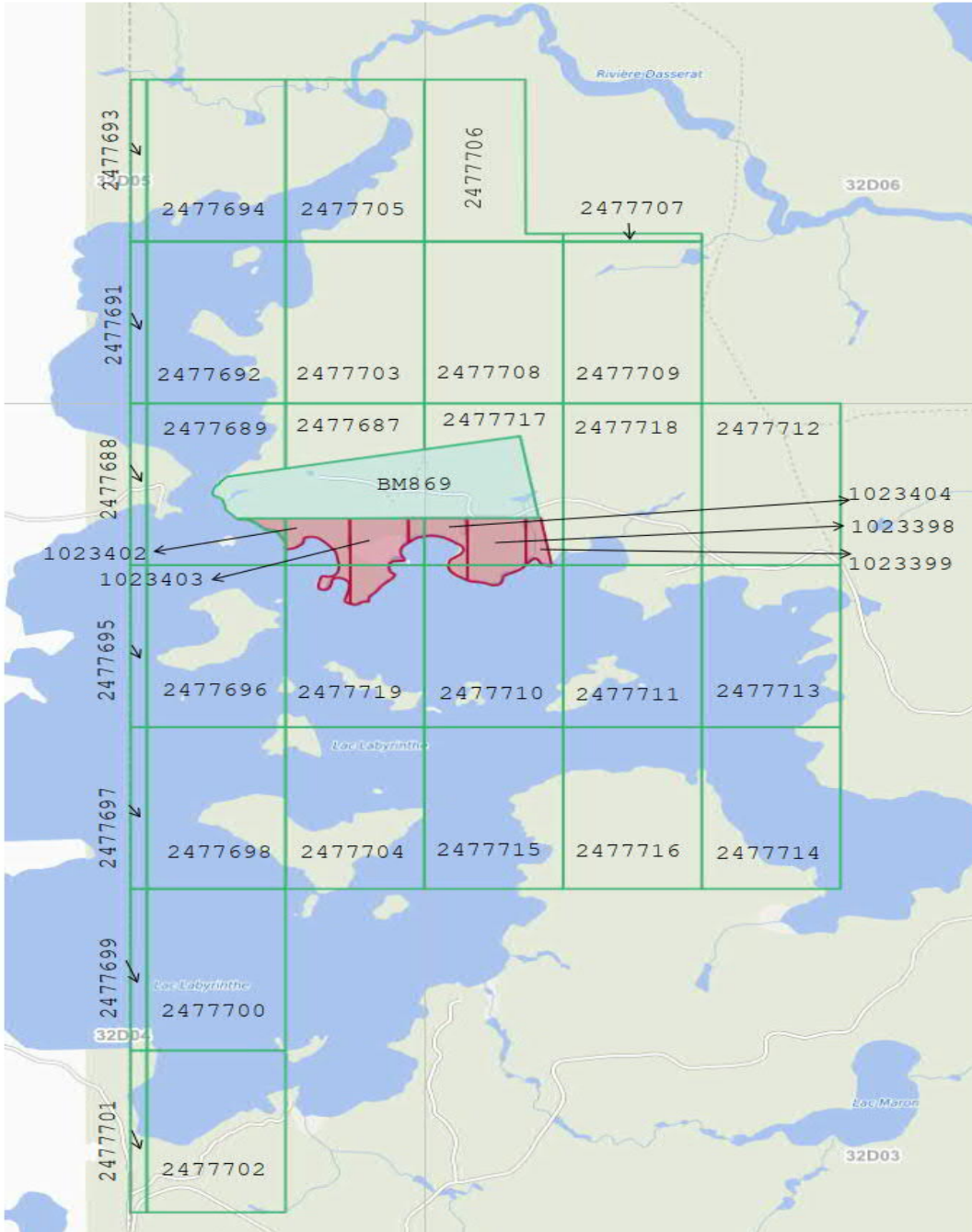
<b>Title No.</b>	<b>Reg. Date</b>	<b>Expiry Date</b>	<b>Area (Ha)</b>	<b>Excess Work \$</b>	<b>Required Work \$</b>	<b>Required Fees \$</b>	<b>Renewal File Being Processed</b>	<b>Work File Being Processed</b>	<b>Comments</b>
CDC2477714	24-02-2017	16-01-2024	57.34	0	2500	67	No	No	Enlargement 42.2, 09-02-2018
CDC2477715	24-02-2017	16-01-2024	57.34	0	2500	67	No	No	Enlargement 42.2, 16-06-2017
CDC2477716	24-02-2017	16-01-2024	57.34	0	2500	67	No	No	Enlargement 42.2, 18-05-2017
CDC2477717	24-02-2017	16-01-2024	36.96	70	2500	67	No	No	Enlargement 42.2, 16-06-2017, 09-02-2018
CDC2477718	24-02-2017	16-01-2024	57.32	0	2500	67	No	No	Enlargement 42.2, 08-02-2018
CDC2477719	24-02-2017	16-01-2024	57.33	0	2500	67	No	No	Enlargement 42.2, 08-02-2018

**SCHEDULE "A" (CONTINUED)**

**ROCMEC MINING RIGHTS PLAN**



# PLAN OF CONVERTED CDC'S AND ACTIVE CDC'S



Identified in green – Active CDC  
 identified in red – Converted CDC  
 identified in light green – Mining Lease BM869

## SCHEDULE "B"

### DENAIN MINING RIGHTS LISTING

Ressources Nippon Dragon Inc. (94041) – 85%

Texas T. Minerals Inc. (21038) – 15%

The Denain Mining Rights project are comprised within NTS Sheet 31N14

Administrative Region of Abitibi-Témiscamingue

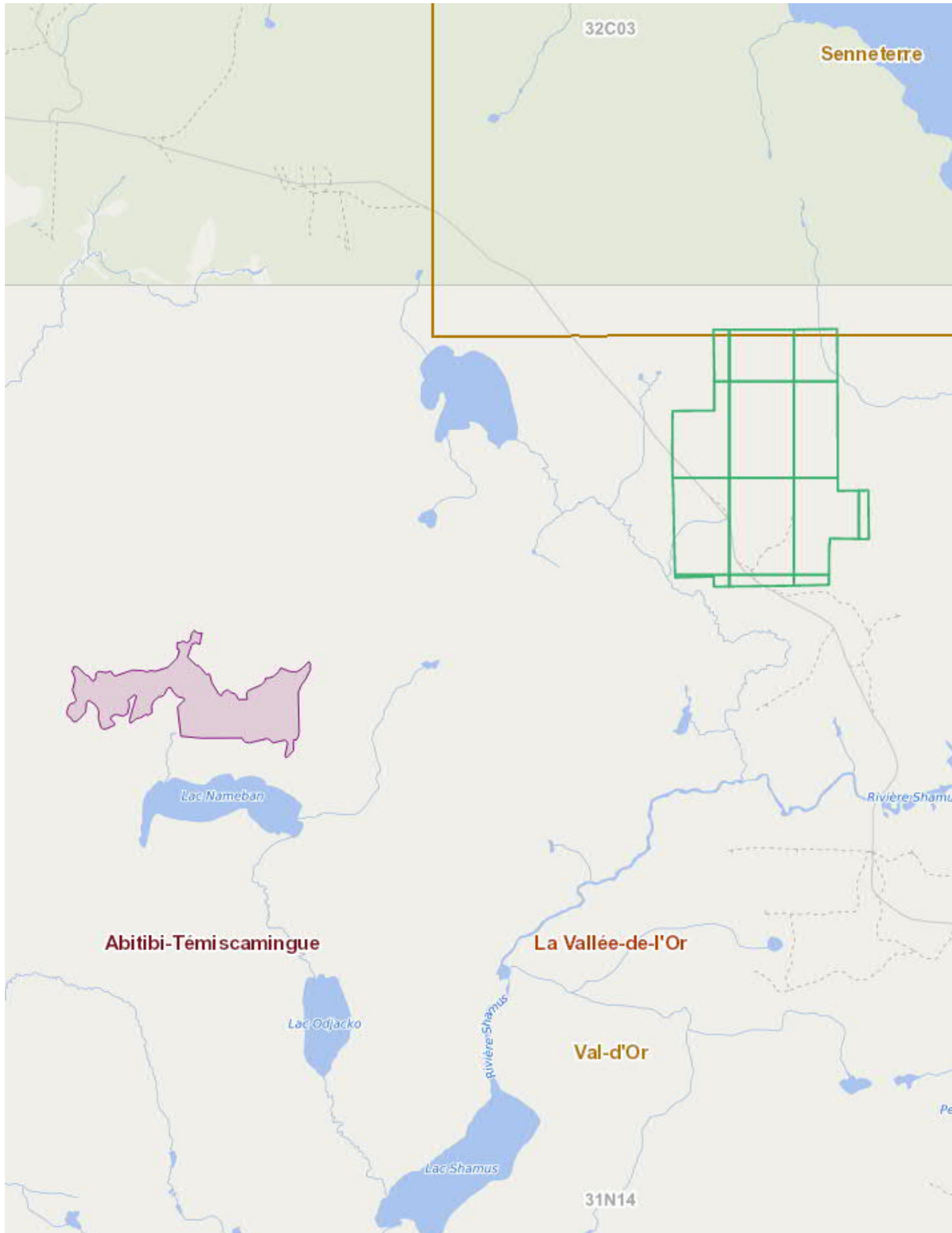
MRC La Vallée-de-l'Or

Municipalities of Val-d'Or and Senneterre

Title No.	Reg. Date	Expiry Date	Area (Ha)	Excess Work \$	Required Work \$	Required Fees \$	Renewal File Being Processed	Work File Being Processed	Comments
CDC2438660	06-04-2016	09-12-2022	57.62	19707.16	2500	67	No	No	Ministerial decision 09-04-2020 (32-22283)
CDC2438661	06-04-2016	09-12-2022	57.63	21678.39	2500	67	No	No	Ministerial decision 09-04-2020 (32-22283)
CDC2438662	06-04-2016	09-12-2022	7.3	2895.97	1000	34.25	No	No	Ministerial decision 09-04-2020 (32-22283)
CDC2438663	06-04-2016	09-12-2022	2.55	360.92	1000	34.25	No	No	Ministerial decision 09-04-2020 (32-22283)
CDC2438664	06-04-2016	09-12-2022	30.76	13916.43	2500	67	No	No	Ministerial decision 09-04-2020 (32-22283)
CDC2438665	06-04-2016	09-12-2022	39.31	18479.52	2500	67	No	No	Ministerial decision 09-04-2020 (32-22283)
CDC2438666	06-04-2016	09-12-2022	45.37	20682.18	2500	67	No	No	Ministerial decision 09-04-2020 (32-22283)
CDC2438667	06-04-2016	09-12-2022	6.81	2634.46	1000	34.25	No	No	Ministerial decision 09-04-2020 (32-22283)
CDC2438668	06-04-2016	09-12-2022	49.34	19511.73	2500	67	No	No	Ministerial decision 09-04-2020 (32-22283)
CDC2438669	06-04-2016	09-12-2022	4.41	1353.59	1000	34.25	No	No	Ministerial decision 09-04-2020 (32-22283)
CDC2438670	06-04-2016	09-12-2022	3.4	814.57	1000	34.25	No	No	Ministerial decision 09-04-2020 (32-22283)

<b>Title No.</b>	<b>Reg. Date</b>	<b>Expiry Date</b>	<b>Area (Ha)</b>	<b>Excess Work \$</b>	<b>Required Work \$</b>	<b>Required Fees \$</b>	<b>Renewal File Being Processed</b>	<b>Work File Being Processed</b>	<b>Comments</b>
CDC2438671	06-04-2016	09-12-2022	38.82	18218.02	2500	67	No	No	Ministerial decision 09-04-2020 (32-22283)
CDC2438672	06-04-2016	09-12-2022	20.71	10052.81	1000	34.25	No	No	Ministerial decision 09-04-2020 (32-22283)

**SCHEDULE "B" (CONTINUED)**  
**DENAIN MINING RIGHTS PLAN**



## SCHEDULE “C”

### PART 1 – PERMITTED ENCUMBRANCES

#### General

- (i) statutory Encumbrances which relate to obligations not overdue;
- (ii) restrictive covenants, servitudes and other similar rights, granted to, reserved or taken on any registered subdivision, development, servicing, site plan or other similar agreement, provided that any such rights are in favour of a Governmental Authority;
- (iii) any subsisting restrictions, reservations, limitations, provisos, exceptions or conditions (including royalties, mineral rights and timber rights, access to navigable waters and similar rights) expressed or implied in any original grants from the Crown in right of Québec or Canada, including, for purpose of clarity:

Mining restriction number 44320, for which the application date is April 17, 2017, a territory referred to by an agreement under the name Pikogan allowing exploration under specific conditions. The extraction of sand and gravel is permitted. Holders of claims located within the area of application of the Agreement on consultation and accommodations between the Abitibiwinni First Nation Council and The Government of Québec are asked to contact the Secrétariat aux ressources naturelles of the Abitibiwinni first nation to keep it informed of the exploration activities the claim holder plans to conduct, for discussions, to answer questions, and to take into account the concerns, if any, of the Abitibiwinni first nation, with regard to such activities. Claim holder's are also asked to keep the MENR informed of the content of discussions with the Abitibiwinni first nation natural resources secretariat;

- (iv) the provisions of applicable laws and Environmental Laws, including zoning by-laws and other by-laws, regulations, ordinances and similar instruments relating to development and zoning;
- (v) any servitude for public utility, rights of access, rights of way and rights in the nature of servitudes, including servitudes, rights of way and rights in the nature of servitudes for railways, public ways, sewers, drains, gas and oil pipelines, steam and water mains or electrical light and power;
- (vi) the right reserved to or vested in any Governmental Authority by the terms of any lease, license, franchise, grant, concession or permit acquired by the Purchaser or by any statutory provision to terminate any such lease, license, franchise, grant, concession or permit, or to require annual or other payments as a condition to the continuance thereof.

#### Royalties affecting Rocmec Mining Rights

An agreement of purchase and sale (the “**Globex Agreement**”) was entered into on April 12, 2005 between Globex Mining Enterprises Inc. (“**Globex**”) and Rocmec Mining Inc., registered at the PRRIMR on March 9, 2007 under number **52003**. A 5% net metal royalty on the first 25,000 ounces of gold produced and all other metals produced, and a 3% net metal royalty on all metal produced after the first 25,000 ounces of gold produced was granted in favour of Globex with

respect to eleven (11) CDC claims which were converted on February 23, 2017 (the “**Converted CDC**”). A right of first refusal and a right to be first secured creditor, as well as other rights more fully mentioned in the Agreement were also stipulated in favour of Globex.

[REDACTED] [LIST OF CONVERTED MINING RIGHTS ON WHICH THE ROYALTY MAY APPLY]

### **Royalties affecting Denain Mining Rights**

The following claims are subject to existing royalties. The column entitled CDC refers to the current designation of claims comprising of the Denain Mining Rights, with the column entitled CL referring to the prior claim designations.

- CL designations highlighted in grey are subject to a 1.5% net smelter royalty pursuant to the agreements between Leo Audet and Avalon Ventures Ltd., dated June 30th, 1995, and between Leo Audet and Mirabel Resources Inc., dated July 4, 2002;
- CL designations highlighted in green are subject to a 2.0% net smelter royalty pursuant to the agreement between A. Leclerc, J. Leclerc, R. Leroux, R. Leclerc and B. Leclerc as vendors, and Mines Vaquelin Ltd., dated March 31, 1988;
- CL designations not highlighted are not subject to any royalties payable; and
- For greater certainty, CDC designations that do not include any highlighting in the corresponding CL designations in the opposite column are not, as of the date of this Agreement, subject to any royalties payable

Further, the below table does not take into consideration any royalties payable as a consequence of the dilution of any property interests by a joint venture partner:

[REDACTED] [LIST OF CONVERTED MINING RIGHTS ON WHICH THE ROYALTY MAY APPLY]

## **PART 2 – DISCHARGE ENCUMBRANCES**

### **Rocmec Hypothec**

A hypothec was granted by Corporation minière Rocmec inc. in favour of Groupe RM2C, in the amount of \$1,800,000.00, bearing interest at the rate of 25% per annum, created under the terms of a deed of hypothec executed before Mtre Melissa Amar, Notary, on January 24, 2013, registered against BM869 on Land File 85-A-584 at the Register of real rights of State resource development on January 25, 2013 under the number 19 704 675 and at the public register of real and immovable mining rights on February 18 2013 under the number 54996.

### **Joint Venture Agreement between Vendor and Material Japan Inc.**

Pursuant to a Joint Venture Agreement between the Vendor and Material Japan Inc. (“**MJ**”), dated March 15, 2019, as amended, pursuant to which MJ and the Vendor agreed to each participate in

the profits resulting from (i) production activities on the Denain Mining Rights, on the basis 60% and 40%, respectively; and (ii) production activities on the Rocmec Mining Rights, on the basis 49% and 51%, respectively.

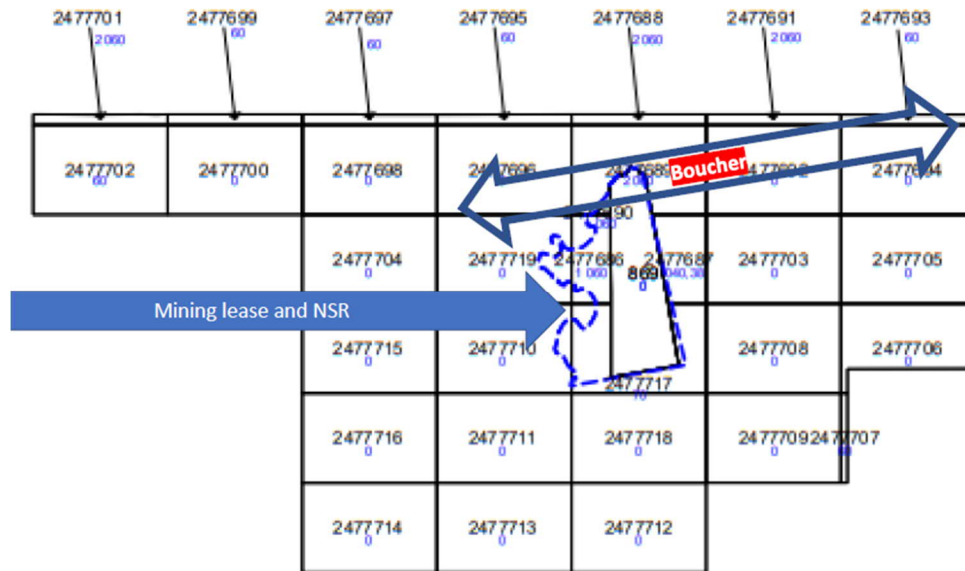
## SCHEDULE “D”

### VENDOR ROYALTY

The Vendor Royalty is payable on all portions of the Project not already encumbered with the Royalties as noted in Schedule “C”. For greater certainty the claims to which the Vendor Royalty applies (the “**Applicable Claims**”) are set out below.

With regard to the Denain Mining Rights, the Purchaser shall not be required to pay the Vendor Royalty.

With regard to the Rocmec Mining Rights, the Vendor Royalty applies to the Boucher 1 and Boucher 2 veins in areas located outside existing mining lease 869 (as appears from the below image):



Subject to change if the interpreted position of the Boucher veins changes, the current understood position of the veins indicates that the following are or could be subject to the Vendor Royalty.

- 2477698
  - 2477704
  - 2477696
  - 2477719
  - 2477691
  - 2477692
  - 2477693
  - 2477694
  - 2477686
  - 2477689
- (hereinafter referred as “**Claim Group 1**”)

As such veins may be extended following additional work on the project, and that any extension to such veins shall be included in the Vendor Royalty as part of the Applicable Claims and shall form part of **"Claim Group 2"**.

## **ROYALTY TERMS**

The term **"Net Smelter Return"** or **"NSR"** means all monies actually received by the holder(s) of the Applicable Claims (the **"Property Holder"**) from the sale of ores, concentrates, and/or minerals mined or extracted from the Applicable Claims (the **"Products"**), including premiums, bonuses and subsidies, less, if the Product requires smelting or other processing, all monies paid or payable by the Property Holder on account of:

- a) all smelting, refining, treatment, processing, selling and other costs, charges and penalties charged by the smelter or any other processor (other than a mill) of the Products;
- b) all costs of loading, transporting and insuring such Products from the Applicable Claims to the location of smelting or other processing (not including transportation to a mill); and
- c) freight allowance, royalties paid or payable, and all taxes paid or payable by the Property Holder on such Products, including, but not limited to, production, severance, net proceeds, sales and privilege taxes.

In the event that smelting, refining or any other processing of Products (including milling) are carried out in facilities owned or controlled, in whole or in part, by the Property Holder, the charges, costs and penalties for such operations shall equal the amount the Property Holder would have incurred if such operations were carried out at facilities not owned or controlled by the Property Holder which offer comparable services for comparable Products on prevailing terms.

The NSR shall be calculated and payable upon the commencement of Commercial Production.

The royalty payments shall be made within 30 days after the calendar quarter in which proceeds from the sale of Products are actually received by the Property Holder. At those times, the holder of this NSR shall be provided with a statement, with adequate detail, of the calculation of the royalty payments. At any reasonable time on notice to the Property Holder, the holder of this NSR and its agents may inspect the Property Holder's books and records that relate to the royalty payments.

The Property Holder may purchase one-half of the Vendor Royalty applicable to each of Claim Group 1 and Claim Group 2 and upon the payment to the Vendor of \$1,000,000 per each of Claim Group 1 and Claim Group 2.

The Property Holder shall have a right of first refusal in the event of any sale, transfer or assignment of the NSR by the Vendor. In the event the Vendor shall receive a bona fide offer to purchase all or part of the NSR, the Vendor shall promptly deliver notice to the Property Holder setting out the price (including a cash equivalent price if non-cash consideration is offered) and the principal terms of the offer. The Property Holder shall have 30 days (the **"ROFR Period"**) to notify the Vendor whether it wishes to exercise its right of first refusal and acquire the NSR. If the

Property Holder does not exercise its right of first refusal within such 30 day period, the Vendor may accept such offer and complete the transfer of the NSR within 30 days of the expiry of the ROFR Period, failing which the right of first refusal shall be re-triggered. Any transfer upon the exercise of the right of first refusal shall be completed within 30 days of the exercise of the right of first refusal by the Property Holder.

## SCHEDULE "E"

### ORMINEX ROYALTY

The term "**Net Smelter Return**" or "**NSR**" means all monies actually received by the holder(s) of the Applicable Claims (the "**Property Holder**") from the sale of ores, concentrates, and/or minerals mined or extracted from the Applicable Claims (the "**Products**"), including premiums, bonuses and subsidies, less, if the Product requires smelting or other processing, all monies paid or payable by the Property Holder on account of:

- a) all smelting, refining, treatment, processing, selling and other costs, charges and penalties charged by the smelter or any other processor (other than a mill) of the Products;
- b) all costs of loading, transporting and insuring such Products from the Applicable Claims to the location of smelting or other processing (not including transportation to a mill); and
- c) freight allowance, royalties paid or payable, and all taxes paid or payable by the Property Holder on such Products, including, but not limited to, production, severance, net proceeds, sales and privilege taxes.

In the event that smelting, refining or any other processing of Products (including milling) are carried out in facilities owned or controlled, in whole or in part, by the Property Holder, the charges, costs and penalties for such operations shall equal the amount the Property Holder would have incurred if such operations were carried out at facilities not owned or controlled by the Property Holder which offer comparable services for comparable Products on prevailing terms.

The royalty payments shall be made within 30 days after the calendar quarter in which proceeds from the sale of Products are actually received by the Property Holder. At those times, the holder of this NSR shall be provided with a statement, with adequate detail, of the calculation of the royalty payments. At any reasonable time on notice to the Property Holder, the holder of this NSR and its agents may inspect the Property Holder's books and records that relate to the royalty payments.

**SCHEDULE "F"**

**CARE AND MAINTENANCE EXPENSES**

[REDACTED] [CARE AND MAINTENANCE EXPENSES]

**SCHEDULE "G"**

**ESCROW AGREEMENT**

[REDACTED] [ESCROW AGREEMENT]

**SCHEDULE “H”**

**EXPLORATION AGREEMENT**

[REDACTED] [EXPLORATION AGREEMENT]

**SCHEDULE "T"**

**VENDOR DISCLOSURE LETTER**

[REDACTED] [VENDOR DISCLOSURE LETTER]