OPTION AGREEMENT

THIS AGREEMENT (the "Agreement") dated February 7, 2005

BETWEEN

STREET RESOURCES INC., (the "Optionee")
c/o Suite 810, P.O. Box 4, 1 First Canadian Place,
Toronto, Ontario, M5X 1A4, Tel: (705) 522-2400

OF THE FIRST PART

AND:

2029778 ONTARIO INC., (the "Optionor")
487 Bouchard Street, Sudbury, Ontario, P3E 2K8,
Tel: (705) 522-2400

OF THE SECOND PART

WHEREAS the Optionor has been granted an exclusive option by Richard Rintala and Cecil Johnson (the "Owners") pursuant to an option agreement dated September 15, 2004 (the "2029778 Option Agreement") to acquire a 100% interest, subject to a royalty, in and to certain mining claims located in the Street Township in the Sudbury Mining Division, in the province of Ontario;

AND WHEREAS the Optionor has in turn agreed to grant an exclusive option to the Optionee to acquire a 100% interest in and to the said mining claims, subject to a royalty, on the terms and conditions hereinafter set forth;

AND WHEREAS the TSX Venture Exchange has granted its acceptance of the transactions contemplated by this Agreement and to the issuance of an aggregate of 1,600,000 common shares of the Optionee to the Optionor as contemplated herein;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the sum of $1.00 now paid by the Optionee to the Optionor, and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties hereby agree as follows:

1. REPRESENTATIONS AND WARRANTIES OF THE OPTIONORS

The Optionor hereby represents and warrants that:

(a) the Owners are the legal and beneficial owners of a one-hundred percent (100%) interest in a group of contiguous mining claims located in Street Township, Ontario (hereinafter collectively referred to as the "Mining Claims" and shown in Schedule B) and more particularly known and described as follows:

DESCRIPTION

Claim Number	Claim Units	Due Date	Recorded Holder	Work
S-3007623	8	May 12, 2006	Cecil Johnson	$ 0.00
S-3007627	8	May 12, 2006	Cecil Johnson	$ 0.00
S-1229545	4	April 1, 2005	Richard Rintala	$13,910.00
S-4203265	4	October 21, 2006	Cecil Johnston	$ 0.00
Total	**24 Mining Claims**			**$13,910.00**

(b) the Owners are legally entitled to hold the Mining Claims and all licenses, permits, easements, rights-of-way, certificates and other approvals necessary for the exploration and development of the Mining Claims or for the purpose of placing the Mining Claims into production or continuing production, and will remain so entitled until all interest of the Owners in the Mining Claims (other than any royalty) has been duly transferred to the Optionee as contemplated hereby;

(c) the Owners are and at the time of each transfer to the Optionee of part or all of the Mining Claims, they will be, the recorded holders and beneficial owners of all title in and to the Mining Claims free and clear of all liens, charges and claims of others and no taxes or rentals are due;

(d) the Mining Claims have been duly and validly located and recorded pursuant to the laws of the jurisdiction in which the Mining Claims are situate and are in good standing with respect to all filings, fees, taxes, assessments, work commitments or other conditions on the date hereof and until the dates set opposite the respective names in section 1(a) above;

(e) there are no adverse claims or challenges against or to the ownership of or title to any of the Mining Claims, nor to the knowledge of the Optionor is there any basis therefor, and there are no outstanding agreements or options to acquire or purchase the Mining Claims or any portion thereof, and no person other than the Optionor and the Optionee, pursuant to the provisions of the 2029778 Option Agreement and hereof, has any royalty or other interest whatsoever in production from any of the Mining Claims;

(f) the Optionee shall have the unimpeded right to enter on the Mining Claims, have exclusive and quiet possession thereof; do such prospecting, exploration, development and other mining work as the Optionee in its sole discretion may determine advisable; bring upon and erect upon the Mining Claims such buildings, plant, machinery and equipment as the Optionee may deem advisable; and remove and dispose of reasonable quantities of ores, minerals and metals for the purposes of obtaining assays or making other tests. Any metals produced from these tests will be treated according to the NSRR as defined in Schedule A; and,

(g) no proceedings are pending for, and the Optionor is unaware of any basis for the institution of any proceedings leading to the placing any of the Optionor or the Owners in bankruptcy or subject to any other laws governing the affairs of insolvent persons.

The representations and warranties contained in this section one (1) are provided for the exclusive benefit of the Optionee and a breach of any one or more thereof may be waived by the Optionee in whole or in part at any time without prejudice to its rights in respect of any other breach of the same or any other representation or warranty, and the representations and warranties contained in this section shall survive the execution hereof.

2. GRANT AND EXERCISE OF OPTION

2.1.1 The Optionor hereby grants to the Optionee the sole and exclusive right and option ("Option") to acquire a one hundred percent (100%) interest in and to the Mining Claims free and clear of all charges, encumbrances and claims, on the terms and conditions set out herein. The Optionor agrees to hold all right, title and interest in and to the Mining Claims and the 2029778 Option Agreement in trust for the Optionee. The Optionor agrees that it shall undertake all of its obligations under the 2029778 Option Agreement upon the Optionee completing its obligations under this Agreement so that all right, title and interest in and to the Mining Claims shall be earned by the Optionor under the 2029778 Option Agreement and, upon earning such interests, agrees to the immediate transfer and assignment thereof to the Optionee.

2.2 The Option shall be fully exercised by the Optionee as follows:

(a) transferring to the Optionor a total of 1,000,000 fully paid and non-assessable common shares ("Shares") in the capital of Street Resources Inc., ("SRI") upon signing of this Agreement;

(b) paying forty thousand dollars ($40,000) to the Optionor, incurring a maximum of exploration expenditures of seven hundred thousand dollars ($700,000) on the Mining Claims and issuing six hundred thousand (600,000) Shares of SRI, within thirty six (36) months of the date of this Agreement, to be incurred as follows:

(i) minimum of seventy five thousand dollars ($75,000) to a maximum of one hundred thousand dollars ($100,000) on the Phase 1 work program, which must be completed within three (3) months of the date of this Agreement (which the Optionor acknowledges has been satisfied prior to the execution of this Agreement);

(ii) two hundred and fifty thousand dollars ($250,000) of exploration expenditures on the Phase 2 work program, payment of fifteen thousand dollars ($15,000) to the Optionor and the issuance of three hundred thousand (300,000) Shares of SRI to the Optionor, all of which must be completed within twenty-four (24) months of the date of this Agreement; and,

(iii) three hundred and fifty thousand dollars ($350,000) of exploration expenditures on the Phase 3 work program, payment of twenty-five thousand dollars ($25,000) to the Optionor and the issuance of three hundred thousand (300,000) Shares of SRI to the Optionor, all of which must be completed within thirty six (36) months of the date of this Agreement.

In the event that the Optionee spends, in any of the above periods, less than the specified sum, it may pay the Optionor the difference between the amount it actually spent and the specified sum before the expiry of that period in full satisfaction of the expenditures specified. In the event that the Optionee spends, in any period, more than the specified sum, the excess shall be carried forward and applied to the expenditures to be made in succeeding periods and this will result in the commencement of the next phase of work and hence the next commitment to the Optionor.

(c) At the completion of this Agreement the Optionee will have a total earned-in interest of one hundred (100%) on the Mining Claims and the Owners will hold a Net Smelter Return Royalty of one and a half percent (1.5%).

2.3 (a) The Optionor acknowledges the satisfaction of the commitment described in 2.2 (b)(i) and once the commitment described in 2.2 (a) has been fulfilled, 50% of the title to the Mining Claims will be legally transferred to the Optionee, at the written request of the Optionee and cost of the Optionee.

(b) Once the commitments described in 2.2(b)(ii) have been fulfilled, a further 25% of the title to the Mining Claims will be legally transferred to the Optionee, at the written request of the Optionee and cost of the Optionee.

(c) Finally, once the commitments described in 2.2(b)(iii) have been fulfilled, a further 25% of the title to the Mining Claims will be transferred to the Optionee, at the written request of the Optionee and cost of the Optionee, for a total earn-in of 100%.

2.4 **Accelerated Work Program.** At any time during the term of this Agreement the Optionee may accelerate the work program, and in so doing, the payment schedule will be accelerated as well, pursuant to the terms and conditions as described herein.

2.5 If and when the Option has been exercised in full, a 100% undivided right, title and interest in and to the Mining Claims shall vest in the Optionee free and clear of all charges, encumbrances and claims, except for the obligations of the Optionee to pay the Optionor a one and a half percent (1.5%) Net Smelter Return Royalty.

2.6 **Termination of Option.** In the event that the Optionee does not fully exercise the Option by fulfilling the terms as set out above in section 2.2 within thirty six (36) months of the date of this Agreement, the Option and this Agreement shall terminate and 100% claims title to the Mining Claims will be returned to the Optionor, with no further obligation to the Optionee or Optionor.

2.7 **Operator**. Immediately upon signing and execution of this Agreement and for the duration of the first year of the Option and until such time as the Optionee has completed the commitments described in 2.2 (a) and (b)(i), the Owners shall be the operator of the property and associated work programs. The Optionee may appoint a technical advisor to participate in the work program planning and operations of the exploration program. Once the Optionee has fulfilled the commitments outlined in section 2.2 (a) and (b)(i), the Optionee will become operator and the Owners may then appoint a technical advisor to participate in the work program planning and management of the exploration programs until such time that the Optionee has completed all of the requirements in section 2.2 and has earned 100% interest in the Mining Claims.

3. **Net Smelter Return Royalty.** The payment to the Owners of a one and a half percent (1.5%) Net Smelter Return Royalty ("NSRR") to be calculated and paid pursuant to the provisions as set forth in Schedule A attached hereto. The NSRR may be purchased by the Optionee, on a right of first refusal basis and at the discretion of the Owners, in consideration of CDN$500,000 per one half percent (0.5%).

4. The Optionor covenants and warrants to the Optionee that:

(a) the Owners are the legal and beneficial owners of a one-hundred percent (100%) interest in and to the Mining Claims and that they are fully authorized and empowered to enter into this Agreement and that the Mining Claims have been validly located on the ground open for the location of the Mining Claims, are in good standing, valid and subsisting, properly staked, marked and recorded in the Owners' names with the Mining Recorder at the Ministry of Natural Resources, Fauna and Parks, Ontario Government, and in accordance with all appropriate provincial recording authorities and all applicable laws, rules and regulations, without further payment or work requirements, free of any liens, charges or encumbrances, and that it has not done and will not do, for the duration of this Agreement, any act whereby any or all of the Mining Claims may be charged or encumbered;

(b) the Owners understand that the Mining Claims will require work to be performed and filed with the Mining Recorder for assessment purposes and to keep the Mining Claims in good standing prior to the expiry dates noted above, and it is the Optionee's duty to conduct this work and file assessment reports during the term of this Agreement. Any Mining Claims that are returned to the Owners will have excess work credits for a minimum of twelve (12) months; and

(c) the Optionor is the legal and beneficial owner of an exclusive option to acquire a one-hundred percent (100%) interest in and to the Mining Claims under the 2029778 Option Agreement and that it is fully authorized and empowered to enter into this Agreement.

The Optionee agrees to indemnify and protect the Owners from all loss caused by the Optionee's operations on the Mining Claims.

5. Commencing of the date hereof, and during the term of this Agreement, the Optionee shall have the exclusive possession of the Mining Claims and is granted the right by itself, its servants, agents and assigns to go upon the Mining Claims and to perform such prospecting, exploration, development and mining operations thereon and to remove such or therefrom as the Optionee may from time to time determine is necessary. The Optionee shall carry out all work on the Mining Claims in compliance with all applicable laws, regulations and policies.

6. The Optionor will have free access to the Mining Claims at any time at his own risk and expense and to all reports concerning all of the Mining Claims.

7. Upon the fulfillment of the obligations as described in 2.2(a) and (b)(i), the Optionor shall deliver to the Optionee duly executed and recordable conveyances of the initial fifty percent (50%) interest in the Mining Claims.

8. The cost of transferring the claims will be borne by the Optionee. The Optionor shall cause the Owners to take all necessary steps and execute all necessary documents to transfer title of the Mining Claims to the Optionee, and/or re-transfer back the Mining Claims to the Owners with the cost borne by the Optionee. Should the Optionee fail to meet all its obligations as described herein then this Agreement will become null and void.

9. The Optionee shall maintain the claims in good standing at all times during the currency of this Agreement.

10. **Power To Charge Mining Claims**. At any time after the Optionee has exercised the Option, the Optionee may grant mortgages, charges or liens (each of which is herein called a "mortgage") of and upon the Mining Claims or any portion thereof, any mill or other fixed assets located thereon and any or all of the tangible personal property located on or used in connection with the Mining Claims to secure financing of development of the Mining Claims, provided that, unless otherwise agreed to by the Optionor, it shall be a term of each mortgage that the mortgagee or any person acquiring title to the Mining Claims upon enforcement of the mortgage shall hold the same subject to the rights of the Optionor hereunder as if the mortgagee or any such person had executed this Agreement.

11. **Force Majeure**

(a) If the Optionee is at any time either during the term of this Agreement or thereafter prevented or delayed in complying with any provisions of this Agreement by reason of strikes, lock-outs, labour shortages, power shortages, fuel shortages, fires, wars, acts of God, governmental regulations restricting normal operations, shipping delays or any other reason or reasons, other than lack of funds, beyond the control of the Optionee, the time limited for the performance by the Optionee of its obligations hereunder shall be extended by a period of time equal in length to the period of each such prevention or delay, but nothing herein shall discharge the Optionee from its obligations hereunder to maintain the Mining Claims in good standing.

(b) The Optionee shall give prompt notice to the Optionor of each event of force majeure under paragraph (a) and upon cessation of such event shall furnish to the Optionor with notice to that effect together with particulars of the number of days by which the Obligations of the Optionee hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

(c) After the commencement of commercial production, the Optionee shall work, mine and operate the Mining Claims during such time or times as the Optionee in its sole judgment considers such operations to be profitable. The Optionee may suspend or curtail operations, both before and after commencement of commercial production, during periods when the products derived from the Mining Claims cannot be profitable sold at prevailing prices or if an unreasonable inventory thereof, in the Optionee's sole judgment, has accumulated or would otherwise accumulate. Any purchaser of the Mining Claims after termination of mining operations on the Mining Claims shall take the Mining Claims free and clear of all claims by the Optionor. The accounts of the Optionee relating to its mining operations on the Mining Claims shall be audited by the auditors of the Optionee as soon as practicable after the sale or disposition of all mining plant and equipment and the Mining Claims. Final settlement of any royalty payable to the Optionor shall be effected without delay after receipt of the final audited statements. After receipt of such final audited statements and payment of royalty, if any, this Agreement and the mutual obligations of the Optionee and the Optionor hereunder shall terminate.

12. **Confidential Information**. No information furnished by the Optionee to the Optionor hereunder in respect of the activities carried out on the Mining Claims by the Optionee, or related to the sale of minerals, ore, bullion or other product derived from the Mining Claims, shall be published or disseminated by the Optionor without the prior written consent of the Optionee, but such consent in respect of the reporting of factual data shall not be unreasonably withheld, and shall not be withheld in respect of information required to be publicly disclosed pursuant to applicable securities or corporation laws.

13. **Pre-Feasibility Study**: In this Agreement, the terms "preliminary feasibility study" and "pre-feasibility study" each mean a comprehensive study of the viability of a mineral project that has advanced to a stage where the mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, has been established, and which, if an effective method of mineral processing has been determined, includes a financial analysis based on reasonable assumptions of technical, engineering, operating, economic factors and the evaluation of other relevant factors which are sufficient for a qualified person, acting reasonably, to determine if all or part of the mineral resource may be classified as a mineral reserve (after NATIONAL INSTRUMENT 43-101 STANDARDS OF DISCLOSURE FOR MINERAL PROJECTS).

14. **Exercise of Option**: Once all of the commitments have been fulfilled and the Option has been exercised the Optionee shall be considered to have earned 100% title to the Mining Claims except for the obligations of the Optionee to pay the Owners a one and a half percent (1.5%) Net Smelter Return.

15. **Default**. If at any time during the term of this Agreement the Optionee fails to perform any obligation required to be performed by it hereunder or is in breach of a warranty given by it hereunder, which failure or breach materially interferes with the implementation of this Agreement, the Optionor may terminate this Agreement, but only if:

(a) it shall have first given to the Optionee a notice of default in writing containing particulars of the obligation which the Optionee has not performed or the warranty breached; and

(b) the Optionee has not, within thirty (30) days following delivery of such notice of default, cured such default or commenced proceedings to cure such default by appropriate payment or performance, the Optionee hereby agreeing that should it so commence to cure any default it will prosecute the same to completion without undue delay excluding cash payments.

Should the Optionee fail to comply with the provisions of subparagraph 14(b), the Optionor may thereafter terminate this Agreement and 100% claims title to the Mining Claims shall be provided to the Owners.

16. This Agreement shall be construed and interpreted in accordance with the laws in effect in the province of Ontario. Any disputes shall be settled in accordance with the *Arbitration Act* of Ontario.

17. Notwithstanding anything in this Agreement, it is understood and agreed that this is an Option only and that the doing of any act or the making of any payment by the Optionee shall not obligate the Optionee to do any further act or make any further payment.

18. In the event that the option hereby granted is not exercised or is abandoned, the Optionee shall, after the termination or abandonment, have a period of six (6) months in which to remove from the Mining Claims all machinery, equipment, supplies and buildings which may occupy any of the Mining Claims.

19. This Agreement is subject to the approval of the Board of Directors of the Optionee and all applicable regulatory authorities.

20. The Optionee warrants and represents that it has been duly incorporated and validly exists as a corporation in good standing under the laws of its jurisdiction of incorporation.

21. This Agreement constitutes the entire agreement amongst the parties. There are no verbal statements, representations, warranties, undertakings or agreement amongst those parties that are not written in this text.

22. The parties shall promptly execute or cause to be executed all documents, deeds, conveyances and other instruments of further assurance and do such further and other acts which may be reasonably necessary or advisable to carry out fully the intent of this Agreement or to record wherever appropriate the respective interest from time to time of the parties in the Mining Claims.

23. All notices to be given to the Optionor hereunder shall be in writing and shall be sent by prepaid registered mail deposited in a Post Office in Canada and sent to the Optionor c/o Charles Lilly at the address set out on the first page of this Agreement.

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

25. If the Optionor or associated parties acquire, through staking, properties located within an area extending 1.6 kilometres (1600 metres) in an easterly, northerly, southerly and westerly direction from the outer perimeter of the area comprising the Mining Claims, then these properties will be offered to the Optionee for inclusion under the terms of this Agreement. The Optionee will have thirty days (30) from the date of claim recording in which to make a decision as to whether or not the new claims will be incorporated into this Agreement. Any new staking which falls under this provision will be compensated for at fair market value, payable to the Optionor within sixty (60) days of the date of claim recording.

26. The headings of this Agreement are inserted for convenience only, shall not constitute a part of this Agreement or be used to limit, extend, construe or interpret any provision hereof.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first set forth above.

2029778 ONTARIO INC.	**STREET RESOURCES INC.**
(signed) "*Chuck Lilly*"____________	(signed) "*Jeffrey Dawson*"_____
per Charles Lilly, President	Per Jeffrey Dawson, Chief Executive Officer

SCHEDULE A

Net Smelter Return Royalty (“NSRR”) shall mean any and all amounts received by the Optionee from a third party, from time to time, for the product extracted from ore mined from the Mining Claims, deducting therefrom:

a) If the product is treated by an arms length party at a smelter, refinery or mint, all expenses relating thereto, including all costs and charges for the treatment, tolling, smelting, refining or minting of such product and all costs associated therewith such as transporting, insuring, handling, weighing, sampling, assaying and marketing, as well as all penalties, representation charges, referee’s fees and expenses, import taxes and export taxes, that is to say the net amount received by the Optionee from the smelter, refinery or mint, as the case may be, less all costs associated therewith or;

b) If the product is treated at a smelter, refinery or mint owned, operated or controlled by the Optionee or an affiliate of it, all costs, charges and expenses relating thereto or associated therewith, excluding any capital costs incurred in the mining and milling of the product by including the expenses in (a) above, such charges by similar smelters, refineries or mints as the case may be, in arms length transactions for the treatment of like quantities and quality of product.

Any dispute or difference between the parties with respect to the determination of Net Smelter Returns shall, if objections made by the Optionor with the timeframe stipulated herein be submitted to arbitration in accordance with the Arbitration Act of the province of Ontario.

The Net Smelter Return Royalty shall not be calculated or payable until the first anniversary of the commencement of commercial production. The Net Smelter Return Royalty shall become payable on all production subsequent to that date. Calculations shall be made at the end of each subsequent calendar quarter in which ores or concentrates from the Mining Claims are sold or otherwise deemed disposed of and payment to the Optionor shall be made within thirty (30) days after the end of each quarter.

The Net Smelter Return Royalty holders, on the thirty-days (30) prior notice to the Optionee may effect that the payment of their proportionate share of the Net Smelter Return Royalty shall be satisfied by the delivery In Kind to or to the order of the Optionor of their said proportionate share of the metals and/or minerals received by the Net Smelter Return Royalty holders of the smelting, refining and other treatment of the ore extracted from the Mining Claims. At the time of such delivery, the Optionee shall have deducted their said proportionate share of all charges and costs noted in this paragraph which are deducted in the course of calculating the Net Smelter Return Royalty herein.

SCHEDULE B (Claim Map – Street Twp)