

MINING CLAIM ACQUISITION AGREEMENT

THIS AGREEMENT dated as of the 5th day of May, 2010

AMONG:

JEVIN WERBES, an individual residing in District of North Vancouver, Province of British Columbia

(the “Vendor”)

- and -

CARMAX EXPLORATIONS LTD., a body corporate, duly incorporated under the Canada Business Corporations Act, and having an office situate at Suite 1180, 625 Howe Street, Vancouver, British Columbia, V6C 2T6;

(the “Purchaser”)

WHEREAS the Vendor is the owner of a 100% undivided legal and beneficial interest in and right and title to the Property (as hereinafter defined);

AND WHEREAS the Vendor has agreed to sell 100% of his right, title, and interest in and to the Property and the Purchaser has agreed to purchase the Property, all on and subject to the terms and conditions hereinafter set forth;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants, conditions and premises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties do hereby covenant and agree as follows:

1. DEFINITIONS

1.1 **Definitions.** For the purposes of this Agreement, unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

- (a) “**this Agreement**”, “**herein**”, “**hereby**”, “**hereof**”, “**hereunder**” and similar expressions shall mean or refer to this Agreement and any and all agreements or instruments supplemental or ancillary hereto and the expression “**section**” followed by a number means and refers to the specified section of this Agreement;
- (b) “**Applicable Laws**” means, in relation to either Party: (i) all laws, statutes, rules, regulations, and orders of all governmental and non-governmental bodies (whether administrative, legislative, executive or otherwise) having jurisdiction including all waivers, legal non-conforming uses or other relief from compliance



with the foregoing where such waiver, legal non-conforming use or other relief is recognized as having the effect of law; and (ii) all judgments, orders and decrees of all courts, arbitrators, commissions or bodies exercising similar functions in actions or proceedings in which the Party in question is a party or by which it is bound or having direct or indirect application to the transaction or event;

- (c) **“Business Day”** means any day, other than a Saturday or Sunday or a statutory or civic holiday in Vancouver, British Columbia;
- (d) **“Closing”** means the completion of the purchase and sale of the Property and the completion of all other matters contemplated by this Agreement;
- (e) **“Closing Date”** means the fifth (5th) Business Day following the date the Purchaser obtains TSXV approval to the purchase of the Property or such other date the Parties agree in writing as the date that the Closing shall take place;
- (f) **“Closing Time”** means 10 o’clock a.m. (Vancouver Time) on the Closing Date;
- (g) **“Common Shares”** means the common shares in the capital of the Purchaser, as constituted on the Closing Date;
- (h) **“Consideration Shares”** shall mean, collectively, the Common Shares to be issued by the Purchaser to the Vendor pursuant to Article 4 hereof;
- (i) **“Encumbrances”** means any and all mortgages, pledges, security interests, liens, charges, encumbrances, contractual obligations and claims of others, recorded and unrecorded, registered and unregistered;
- (j) **“Losses”** means actual losses, liabilities, damages, injuries, costs or expenses;
- (k) **“Parties”** shall mean the Vendor and the Purchaser and their respective heirs, executors, administrators, successors and permitted assigns;
- (l) **“Property”** means the 59 mining claims encompassing 22,477.15 hectares of mineral explorations lands situated in the Arlin Mining Division of the Province of British Columbia, as further described in Schedule A attached hereto;
- (m) **“Purchase Price”** has the meaning set out in Section 4.2; and
- (n) **“TSXV”** means the TSX Venture Exchange.

2. SCHEDULES, GENDER AND CANADIAN DOLLARS

2.1 **Schedules.** The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

A handwritten signature in black ink, appearing to be 'EPP' followed by a stylized flourish.

Schedule "A" – Description of Property

2.2 **Gender and Extended Meanings.** In this Agreement all words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case require and the verb shall be construed as agreeing with the required word and pronoun. In this Agreement words importing the singular number include the plural and vice versa.

2.3 **Canadian Dollars.** Unless explicitly indicated otherwise, all dollar amounts or "\$" referred to in this Agreement are in Canadian funds.

2.4 **Section Headings.** The section and other headings contained in this Agreement or in the Schedule are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

3. REPRESENTATIONS AND WARRANTIES

3.1 **Representations and Warranties of the Vendor.** The Vendor hereby represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying on such representations and warranties in entering into this Agreement and acknowledges and agrees that such representations and warranties shall be true and correct as of the Closing Date with the same force and effect as if made on and as of such date:

- (a) **Owner of the Property.** The Vendor is now and shall be at the Closing Date the sole legal and beneficial owner of an undivided 100% interest in and all right and title to the Property, free and clear of any and all Encumbrances, and the Vendor shall at the Closing date have full and absolute right and power to convey and transfer to the Purchaser or cause to be conveyed or transferred to the Purchaser good and marketable title to the Property free and clear of any and all Encumbrances.
- (b) **Property Recorded.** The Property has been properly recorded pursuant to applicable laws and regulations of the Province of British Columbia and the laws of Canada applicable therein, and all mining claims comprising the Property are in good standing and no event, condition or occurrence exists that, after notice of lapse of time or both, would constitute a default under such mining claims and all required assessment work, reports, fees and payments with respect to the Property have been filed or made and are current.
- (c) **No Adverse Claims.** There is no adverse claim or challenge against or to the ownership of or title to any part of the Property and, to the best of the Vendor's knowledge, there is no basis for such adverse claim or challenge.
- (d) **Charges and Assessments.** No Person has any proprietary or possessory interest in the Property and no Person is entitled to any royalty or other payment in the nature of rent or royalty on any minerals, metals or concentrates or any other such products removed or produced from the Property.

Handwritten signature or initials in the bottom right corner of the page.

- (e) **Compliance with Laws.** The Vendor has fully complied with all Applicable Laws with respect to the Property and the Vendor has not received notice of any breach, violation or default with respect to the Property. Conditions on and relating to the Property are in compliance with all Applicable Laws.
- (f) **No Actions.** There is no legal, administrative, arbitration or other proceeding, claim or action of any nature or investigation pending or to the best of the Vendor's knowledge, threatened against or involving the Property or which questions or challenges the validity of this Agreement or any action taken or to be taken by the Vendor pursuant to this Agreement.
- (g) **Material Information.** The Vendor has made available to the Purchaser all material information in its possession or under his control relating to the Property.
- (h) **Brokerage or Finder's Fee.** The Parties acknowledge that a finder's fee is due and payable by the Purchaser to KJN Management Ltd. with respect to the transaction contemplated in this agreement in the amount of 10% of the Purchase Price.

The representations and warranties contained in Section 3.1 are provided for the exclusive benefit of the Purchaser and the correctness of each such representation and warranty is a condition upon which the Purchaser is relying upon in entering into this Agreement. A breach of any one or more representations or warranties may be waived by the Purchaser 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 3.1 will survive the execution and delivery of this Agreement notwithstanding any independent investigations the Purchaser may make. The Vendor agrees to indemnify and hold harmless the Purchaser from all Losses actually incurred by the Purchaser in connection with a breach of any representation or warranty made by the Vendor and contained herein, provided that such representations and warranties shall only have a survival period that terminates two (2) years following the purchase of the Property.

3.2 **Representations and Warranties of Purchaser.** The Purchaser hereby represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying on such representations and warranties in entering into this Agreement and acknowledges and agrees that such representations and warranties shall be true and correct as of the Closing Date with the same force and effect as if made on and as of such date:

- (a) **Due Incorporation.** It is a company duly incorporated under the Canada Business Corporations Act extra-provincially registered to conduct business in the Province of British Columbia and it is duly organized and validly subsisting under such laws and is duly licensed and qualified as necessary to carry on its business as currently conducted or as proposed to be conducted.
- (b) **Corporate Power.** It has full power and authority to carry on its business and to enter into this Agreement and any agreement or instrument referred to or



contemplated by this Agreement and to carry out and perform all of its obligations and duties hereunder.

- (c) **Corporate Approvals.** The execution, delivery and performance and the consummation of the transactions herein contemplated, will not conflict with or result in a breach of any covenants or agreements contained in or constitute a default under or result in the creation of any Encumbrance under the provisions of its constating documents or any shareholders' or directors' resolution or any indenture, agreement or other instrument whatsoever to which it is a party or by which it is bound and does not contravene any Applicable Laws.
- (d) **Due Execution and Delivery.** This Agreement has been duly executed and delivered by it and is valid, binding and enforceable against it in accordance with its terms.

The representations and warranties contained in Section 3.2 are provided for the exclusive benefit of the Vendor and the correctness of each such representation and warranty is a condition upon which the Vendor is relying upon in entering into this Agreement. A breach of any one or more representations or warranties may be waived by the Vendor 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 section 3.2 will survive the execution and delivery of this Agreement notwithstanding any independent investigations the Vendor may make. The Purchaser agrees to indemnify and hold harmless the Vendor from all Losses actually incurred by the Vendor in connection with a breach of any representation or warranty made by the Purchaser and contained herein, provided that such representations and warranties shall only have a survival period that terminates two (2) years following the purchase of the Property.

4. PURCHASE AND SALE OF PROPERTY

4.1 **Purchase and Sale.** Subject to the approval of the TSXV, the Vendor hereby sells, assigns and transfers to the Purchaser and the Purchaser hereby purchases from the Vendor, on the Closing Date, all of the Vendor's right, title and interest in and to the Property free and clear of all Encumbrances, subject to the provisions of this Agreement.

4.2 **Purchase Price.** The total purchase price (the "**Purchase Price**") payable by the Purchaser to the Vendor for a 100% undivided legal and beneficial interest in and all right and title to the Property shall be satisfied by:

- (a) the payment of Twenty Five Thousand Dollars (\$25,000) on signing of this Agreement (which amount shall be non-refundable) and a further Sixty Five Thousand Dollars (\$65,000) on the Closing Date; and
- (b) the issuance of the Consideration Shares being 10,000,000 Common Shares of the Purchaser to the Vendor on the Closing Date.

4.3 **Consideration Shares.** The parties acknowledge and declare that the Purchaser has established a value for the consideration shares based on one hectare of mineral prospective land included within the Property being valued at 445 common shares of the Purchaser.

4.4 **Acknowledgment.** The parties recognize that the issuance of the Consideration Shares to the Vendor pursuant to this Agreement is subject to prospectus and registration exemptions being available to the parties in compliance with the applicable securities laws. Accordingly, the parties acknowledge that the issuance of the Consideration Shares shall be made in compliance with Sections 2.13 and 3.13 of National Instrument 45-106. The Vendor acknowledges that the Consideration Shares may be subject to resale restrictions under applicable securities laws and it is the responsibility of the Vendor to appraise itself and to comply with such resale restrictions.

5. CLOSING ARRANGEMENTS

5.1 **Closing.** The Closing shall take place on the Closing Date at the Closing Time at the offices of Purchaser in Vancouver, British Columbia or at such other place as may be agreed upon by the Vendor and the Purchaser.

5.2 **Deliverables of Vendor.** At the Closing Time, the Vendor shall deliver or cause to be delivered to the Purchaser (unless delivered previously) the following documents, agreements, instruments or items, in form and substance satisfactory to the Purchaser and its legal counsel, acting reasonably:

- (a) a conveyance of the mining claims making up the Property; and
- (b) a certificate dated as of the Closing Date and signed by the Vendor stating that the representations and warranties of the Vendor contained in the Agreement are true and correct in all respects as of the Closing Date;

5.3 **Deliverables of Purchaser.** At the Closing Time, the Purchaser shall deliver or cause to be delivered to the Vendor (unless previously delivered) the following documents, agreements, instruments or items, in form and substance satisfactory to the Vendor and its legal counsel, acting reasonably:

- (a) duly issued share certificates of the Purchaser embossed in the name of the Vendor in respect of the Consideration Shares; and
- (b) a certificate dated as of the Closing Date and signed by an executive officer of the Purchaser on behalf of the Purchaser in the agreed form stating that the representations and warranties of the Purchaser contained in the Agreement are true and correct in all respects as of the Closing Date; and
- (c) a certified cheque, bank draft or wire transfer in the amount of \$65,000 payable to the Vendor.

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6. CONDITIONS TO CLOSING

6.1 The Purchaser shall use its best efforts to obtain the approval of the TSXV, to the transactions contemplated by this Agreement. The obtaining of such approval shall be a condition precedent to Closing. If the Purchaser does not obtain such approval by May 31, 2010, this Agreement shall be terminated and the parties shall release each other from any other obligations in relation to the transactions contemplated by this Agreement.

7. COVENANTS

7.1 The Vendor covenants not to cause any actions to be taken that would cause its representations and warrants herein contained to be untrue as of the Closing Date.

7.2 The Vendor covenants to use its best efforts to obtain the approval of the TSXV within five (5) days of execution of this Agreement.

7.3 The Purchaser covenants not to cause any actions to be taken that would cause its representations and warrants herein contained to be untrue as of the Closing Date and to run its business in the normal course.

8. CONFIDENTIALITY

8.1 **Confidentiality.** No disclosure or announcement, public or otherwise, in respect of this Agreement or the transaction herein contained shall be made by any Party without the prior written consent of the other Party as to timing and content, provided that the obligations herein will not prevent either Party from making, after consultation with the other Party, such disclosure as its counsel may advise is required by applicable law or the rules and policies of any securities regulatory authority or stock exchange having jurisdiction or potential jurisdiction. The Vendor agrees that it shall not disclose to any third party any information concerning this Agreement, the Property or the activities thereon, without the written consent of the Purchaser.

9. NOTICES

9.1 **Notice.** All notices, requests, demands or other communications which by the terms hereof are permitted or prescribed to be given by a Party to the other Parties shall be given in writing by personal delivery or fax, addressed to such other Parties or delivered to such other Parties as follows:

(i) to the Vendor at:

[Address Redacted]

Email: [Address Redacted]

Fax: [Number Redacted]



(ii) to the Purchaser at:

1180-625 Howe Street
Vancouver, BC V6C 2T6

Attention: Ernest S. Peters
Email: esp@telus.net
Fax: (604) 219-2799

or at such other addresses and to such other Person that may be given by any of them to the others in writing from time to time on ten days' prior written notice and such notices, requests, demands or other communications shall be deemed to have been received when delivered.

10. MISCELLANEOUS - GENERAL

10.1 **Severability**. Any provision of this Agreement which is invalid or unenforceable shall not effect any other provision and shall be deemed to be severable herefrom.

10.2 **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

10.3 **Further Assurances**. The Parties shall sign such further and other documents and do such further acts or things as may be necessary or desirable in order to give full force and effect to this Agreement and every part hereof, including for greater certainty and without limitation, any and all powers of attorney and documents as counsel for the Purchaser shall deem necessary to deal with title with respect to the Property, and all public deeds and documents as counsel for the Purchaser shall deem necessary to effect the purchase and sale of the Property as contemplated herein.

10.4 **Amendment**. This Agreement may not be amended or modified in any respect except by written instrument signed by the Parties.

10.5 **Assignment**. This Agreement may not be assigned by either Party without the prior written consent of the other Party which consent will not be unreasonably withheld.

10.6 **Independent Legal Advice**

Each of the parties acknowledges and confirms that Kjeld Werbes Law Corp. has advised both the Vendor and the Purchaser that it is or may be perceived as being in a conflict of interest in having prepared this Agreement and any other documents contemplated under this Agreement as a result of which both Parties have been urged to seek and obtain independent legal and tax advice from other counsel prior to the execution of this Agreement and both Parties have been provided sufficient opportunity to do so and understands the terms of, and its rights and obligations under, this Agreement.

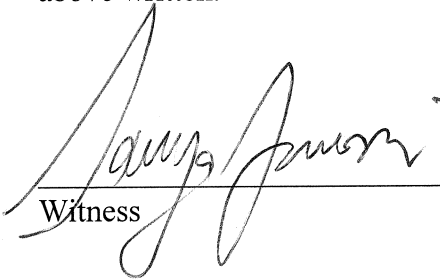


10.7 **Entire Agreement.** This Agreement constitutes the entire agreement among the Parties with respect to the subject matter hereof. The execution of this Agreement has not been induced by nor do the Parties rely upon or regard as material, any covenants, representations or warranties whatsoever not incorporated herein and made a part hereof.

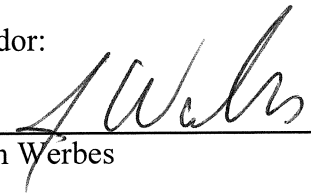
10.8 **Enurement.** This Agreement shall enure to the benefit of and be binding upon the Parties and each of their respective heirs, executors, administrators, legal representatives, successors and permitted assigns, but no other Person.

10.9 **Counterparts.** This Agreement may be executed in several counterparts by original or telefacsimile signature, each of which so executed shall be deemed to be an original and such counterparts together shall constitute one and the same document.

IN WITNESS WHEREOF the Parties have executed this Agreement the day and year first above written.



Witness

Vendor: 

Jevin Werbes

CARMAX EXPLORATIONS LTD.

Per: 

Authorized Signing Authority



Schedule A

Appendix of Claims

| | | |
|--------|------------------|----------|
| 714402 | TOOTS 1 | 405.9842 |
| 714422 | TOOTS 2 | 406.2335 |
| 714442 | TOOTS 3 | 406.4591 |
| 714462 | T TOP 1 | 405.3215 |
| 714482 | T TOP 2 | 405.261 |
| 714502 | T TOP 3 | 405.2022 |
| 714522 | T TOP 4 | 404.9009 |
| 714542 | SCOUT 1 | 113.4654 |
| 714562 | T CONECTOR | 324.5825 |
| 714582 | BIG 1 | 407.018 |
| 714602 | BIG 2 | 407.1947 |
| 714622 | BIG 3 | 407.3275 |
| 714642 | BIG 4 | 407.4343 |
| 714722 | BIG 5 | 406.8702 |
| 714742 | BIG 6 | 407.1986 |
| 714762 | BIG 7 | 407.1073 |
| 714782 | BIG 8 | 406.9769 |
| 715602 | TOOTS 4 | 405.8399 |
| 715622 | TOOTS 5 | 406.101 |
| 715642 | TOOTS 6 | 406.1031 |
| 715662 | TOOTS 7 | 405.9112 |
| 715682 | TOOTS 8 | 389.6856 |
| 715702 | BIG 9 | 406.508 |
| 715763 | BIG 11 | 407.0306 |
| 715842 | BIG 12 | 406.8024 |
| 715862 | BIG 13 | 406.7961 |
| 715882 | BIG 14 | 406.8028 |
| 715903 | BIG 15 | 406.5671 |
| 715922 | BIG 16 | 406.7256 |
| 716022 | BORDER 1 | 404.8699 |
| 716042 | BORDER 2 | 405.0324 |
| 716082 | BORDER 3 | 405.1354 |
| 716122 | BORDER 4 | 405.2441 |
| 716182 | BORDER 5 | 405.3612 |
| 716203 | BORDER 6 | 405.4934 |
| 716302 | BORDER 7 | 405.7928 |
| 716322 | BORDER 8 | 406.2413 |
| 716342 | BORDER CONECT | 406.5976 |
| 716382 | CELL | 16.2134 |
| 716402 | N W YUKON | 259.0609 |
| 716462 | NW YUKON 2 | 404.9196 |
| 716482 | NW YUKON3 | 404.8542 |
| 716502 | WHAT THE | 406.1723 |
| 716522 | NW YUKON 4 | 161.9161 |
| 716662 | PRIZE 2 | 407.7922 |
| 716782 | R 1 | 407.6229 |
| 716822 | R 3 | 408.084 |
| 716842 | FULL CIRCLE | 390.9266 |

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|--------|--------------|-----------------|
| 716902 | CROWN | 294.7396 |
| 716962 | BIG ONE | 406.3716 |
| 716982 | BORDER 9 | 243.3067 |
| 718042 | CONTIGUOUS 1 | 405.6609 |
| 718062 | CONTIGUOUS 2 | 357.4105 |
| 722963 | WHALE 1 | 410.0066 |
| 722982 | WHALE 2 | 409.9867 |
| 723002 | WHALE 3 | 409.9658 |
| 724842 | WHALE 4 | 409.4544 |
| 724922 | WHALE 5 | 409.6935 |
| 724982 | WHALE 6 | <u>409.8871</u> |

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