# IRON RIVER PROPERTY

## PROPERTY OPTION AGREEMENT

Dated June 1, 2007

Between:

MADMAN MINING CO. LTD.

and

CRAZY HORSE RESOURCES LTD.

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## INDEX

**IRON RIVER PROPERTY**

**PROPERTY OPTION AGREEMENT**

THIS AGREEMENT is made as of the 1st day of June, 2007,

BETWEEN:

**MADMAN MINING CO. LTD.**, a company duly incorporated under the laws of the Province of British Columbia and having its head office at #314 - 800 West Pender Street, Vancouver, B.C., V6C 2V6

(hereinafter referred to as the **"Optionor"**)

OF THE FIRST PART,

AND:

**CRAZY HORSE RESOURCES LTD.** , a company duly incorporated under the laws of the Province of British Columbia and having its head office at #750 - 999 Canada Place, Vancouver, B.C., V6C 3E1

(hereinafter referred to as **"Crazy Horse"**)

OF THE SECOND PART.

**RECITALS**

WHEREAS the Optionor owns a 100% legal and beneficial interest in certain mineral claims situated in the Nanaimo Mining Division of British Columbia more particularly described in Schedule "A" attached hereto and made a part hereof (hereinafter collectively called the **"Property"**);

AND WHEREAS the Optionor has agreed to grant to **Crazy Horse** an option to purchase a 100% legal and beneficial interest in the Property subject to the terms and conditions of this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements herein contained and subject to the terms and conditions hereafter set out, the parties hereto agree as follows:

## 1. GRANT OF OPTION

1.01 The Optionor, in consideration of the sum of $10, the receipt and sufficiency of which is hereby acknowledged, hereby grants to Crazy Horse, on the terms and conditions hereinafter set out, the exclusive right and option (the **"Option"**) to acquire a 100% undivided legal and beneficial interest in and to the Property by paying to the Optionor the sum of $390,000 cash and by issuing to the Optionor 415,000 shares in the capital of Crazy Horse and by incurring, directly or indirectly for and on behalf of the Optionor $1,650,000 in "Exploration Expenditures" (as hereinafter defined), to be respectively paid and issued to the Optionor and incurred and paid by Crazy Horse as follows:

(a) the sum of $390,000 to be paid to the Optionor on or before the dates indicated below:

(i) $20,000 upon signing of this Agreement;

(ii) $20,000 within 10 days of the common shares of Crazy Horse being listed and called for trade on the TSX Venture Exchange (the "TSX-V") which assumes the completion of a geological report in the form mandated by National Instrument 43-101 acceptable to Crazy Horse and the TSX-V (the **"Trade Date"**);

(iii) $100,000 on or before the 24 month anniversary of the Trade Date; and

(iv) $250,000 on or before the 36 month anniversary of the Trade Date;

(b) cumulative exploration expenditures of not less than $1,650,000 to be incurred on or before the dates indicated below:

(i) $100,000 on or before December 1, 2007 (**"Seed Phase"**);

(ii) an additional $250,000 on or before the first anniversary of the Trade Date (**"Phase I"**);

(iii) an additional $300,000 on or before the second anniversary of the Trade Date (**"Phase II"**);

(iv) an additional $400,000 on or before the third anniversary of the Trade Date (**"Phase III"**); and

(v) an additional $600,000 on or before the fourth anniversary of the Trade Date (**"Phase IV"**);

(c) the issuance of 415,000 common shares in the capital of Crazy Horse to the Optionor on or before the dates indicated below:

(i) 65,000 common shares within ten (10) days of the Trade Date;

(ii) 100,000 common shares upon completion of Phase III exploration program pursuant to paragraph 1.01(b)(iv) hereof and upon the filing with and acceptance by the TSX-V stock exchange of the Geological Report summarizing the work done on the Property and recommending further work on the Property; and

(iii) 250,000 common shares upon completion of Phase IV exploration program pursuant to paragraph 1.01(b)(v)

1.02 Exploration Expenditures incurred by any date in excess of the amount of Exploration Expenditures required to be incurred by such date pursuant to paragraph 1.01(b) shall be carried forward to the succeeding period or periods and qualify as Exploration Expenditures. Any Exploration Expenditures incurred in excess of the minimum required pursuant to paragraph 1.01(b) shall be carried forward to the succeeding period.

1.03 In this agreement, **"Exploration Expenditures"** means all direct and indirect costs and expenses, however denominated, incurred by Crazy Horse on or in connection with the prospecting, exploration and development of the Property and shall include, without limiting generality:

(a) all expenditures required to maintain the Property in good standing in accordance with the laws of the jurisdiction in which the Property is situated;

(b) all expenditures required to acquire and maintain insurance pursuant to this Agreement; and

(c) all expenditures made relating to reclamation, rehabilitation and protection of the environment.

If Crazy Horse fails to incur the Exploration Expenditures listed in paragraph 1.01 by the end of the last day on which the same was due to be incurred, Crazy Horse may, at any time within 15 days of such day, make a cash payment to the Optionor in an amount equal to the deficiency in the Exploration Expenditures. Any cash payment so made shall be deemed to have been Exploration Expenditures duly and properly incurred in an amount equal to the cash payment.

1.04 In this Agreement, a written notice delivered by Crazy Horse to the Optionor by no later than 30 days after each of the dates listed in paragraph 1.01 on or before which Exploration Expenditures are to be incurred and paid and accompanied by a statement of a representative of Crazy Horse to the effect that the amount of Exploration Expenditures have been incurred and paid by the applicable date shall be conclusive evidence of the making thereof unless the Optionor questions the accuracy of such statement in writing within 15 days of receipt. If the Optionor questions the accuracy of the statement, the matter shall be referred to a firm of Chartered Accountants for final determination. If such firm determines, after having consulted with Crazy Horse, that the Exploration Expenditures incurred and paid were less than those reported by Crazy Horse, Crazy Horse shall not lose any of its rights hereunder provided Crazy Horse pays to the Optionor within 15 days of the receipt of the determination 100% of the deficiency in such Exploration Expenditures. If Crazy Horse makes such payment, it shall be deemed to have timely incurred and paid Exploration Expenditures equal to such payment and be deemed in full compliance with its obligations under paragraph 1.01. If the firm of Chartered Accountants determines that the Exploration Expenditures incurred were less than 95% of those reported by Crazy Horse, Crazy Horse shall pay the entire cost of the determination; it they were 95% to 105% of those reported by Crazy Horse, the cost of the determination shall be paid by Crazy Horse and the Optionor equally; and if in excess of 105% of the Exploration Expenditures reported by Crazy Horse, the Optionor shall pay the entire cost of the Chartered Accountant's determination.

## 2. EXERCISE OF OPTION

2.01 Crazy Horse shall be deemed to have exercised the Option and shall have acquired a 100% undivided interest in and to the Property, by making aggregate cash payments to the Optionor of $390,000, by issuing to the Optionor 415,000 shares and by having incurred and paid for cumulative Exploration Expenditures of $1,650,000, all in accordance with Article 1 hereof.

## 3. OPTION ONLY

3.01 This Agreement represents the granting of an option only, and except as herein specifically provided otherwise, nothing herein contained shall be construed as obligating Crazy Horse to do any acts or make any payments hereunder, and any act or acts or payment or payments as shall be made hereunder shall not be construed as obligating Crazy Horse to do any further act or make any further payment or payments.

3.02 Prior to the date of exercise of the Option, Crazy Horse will be entitled to register this Agreement on title to the Property.

## 4. SHARE ISSUANCES

4.01 The parties acknowledge that the common shares in the capital of Crazy Horse to be issued and delivered pursuant to this Agreement may be subject to hold periods and legending requirements as required by applicable securities laws and regulation. For greater certainty, the shares of Crazy Horse to be issued to the Optionor hereunder shall be free of all restrictions on trading other than those imposed by law, the TSX-V, or a securities regulatory body with jurisdiction over Crazy Horse.

5. **TRANSFER OF TITLE**

5.01 Forthwith following the exercise of the Option, the Optionor shall deliver to Crazy Horse confirmation satisfactory to Crazy Horse that Crazy Horse is the legal and beneficial owner of a 100% undivided interest in the Property.

5.02 Promptly after exercise of the Option by Crazy Horse, the Optionor shall deliver to Crazy Horse duly executed instruments of transfer and such other documentation, deeds, certificates and assurances which may reasonably be required to convey, transfer and assign legal title to the Interest to Crazy Horse, free and clear of all liens, charges, encumbrances and claims of others whatsoever.

5.03 The Optionor will permit registration of such interest in the name of Crazy Horse and will appoint Crazy Horse as agent of the Optionor for the purpose of filing the same in applicable governmental and administrative registries. Crazy Horse will be entitled to record the transfers contemplated hereby at its own cost with the appropriate government office.

5.04 Prior to such transfer, the Optionor shall hold the legal title to the Property in trust for Crazy Horse until the parties have received all consents or approvals required to transfer such undivided interest in and to the Property to Crazy Horse and such interest has been duly registered or recorded with the appropriate government mining authority.

6. **RIGHT OF ENTRY**

6.01 During the currency of this agreement, Crazy Horse, its servants, agents and workmen and any persons duly authorized by Crazy Horse, shall have the right of access to and from and, subject to sub-paragraph 10.01(f) hereof, the exclusive right to enter upon and take possession of and prospect, explore and develop the Property in such manner as Crazy Horse in its sole discretion may deem advisable.

7. **REPRESENTATIONS AND WARRANTIES OF THE OPTIONOR**

7.01 The Optionor hereby represents and warrants to Crazy Horse that:

(a) the Optionor validly exists as a corporation duly incorporated and in good standing under the laws of British Columbia;

(b) the Optionor is the legal, beneficial and recorded owner of an undivided 100% interest in the Property;

(c) the Property has been validly acquired, duly recorded and is in good standing in accordance with the laws of the Province of British Columbia;

(d) the the Optionor Property have been legally and validly recorded pursuant to all Applicable Laws, all exploration and development work required to be performed, recorded and filed upon the the Optionor Property has been performed recorded and filed (or fees paid in lieu thereof) through the date of this Agreement, all of which work, recordings and filings have been completed in accordance with applicable statutes pertaining to such work and all claim maintenance fees and taxes have been paid thereon until the date hereof;

(e) the Optionor has complied with all Applicable Laws and regulations relating to the work it has conducted in respect of the Property, including environmental laws;

(f) the Optionor acknowledges that all material information in its possession concerning the Property has been conveyed to Crazy Horse;

(g) it has full corporate power and authority to enter into this Agreement;

(h) the entering into of this agreement does not conflict with any applicable laws or with its charter documents, nor does it conflict with, or result in a breach of, or accelerate the performance required by any contract or other commitment to which it is a party or by which it is bound;

(i) the Optionor has the exclusive right to enter into this agreement and all necessary authority to assign to Crazy Horse a 100% right, title and interest in and to the Property in accordance with the terms and conditions of this agreement;

(j) the Property is free and clear of all liens, charges and encumbrances;

(k) to the best of the Optionor's knowledge, information and belief, there are no actual, alleged or potential adverse claims, challenges, suits, actions, prosecutions, investigations or proceedings against the Optionor or to the ownership of or title to the Property or any portion thereof, nor to the best of the Optionor's knowledge is there any basis therefore;

(l) it has not committed an act of bankruptcy, is not insolvent, has not proposed a compromise or arrangement to its creditors generally, has not had any petition for a receiving order in bankruptcy filed against it, has not made a voluntary assignment in bankruptcy, has not taken any proceedings with respect to a compromise or arrangement, has not taken any proceeding to have itself declared bankrupt or wound-up, has not taken any proceeding to have a receiver appointed of any part of its assets, has not had any encumbrancer take possession of any of its assets and has not had any execution or distress become enforceable or become levied upon any of its assets; and

(m) the execution and delivery of this Agreement and completion by Crazy Horse of its obligations contained herein have been duly and validly authorized and this Agreement constitutes a valid and binding agreement on the part of Crazy Horse, enforceable against Crazy Horse in accordance with its terms.

7.02 The representations and warranties hereinbefore set out are conditions upon which Crazy Horse has relied in entering into this agreement and shall survive the exercise of the Option, and the Optionor hereby forever indemnifies and saves Crazy Horse harmless from all loss, damage, costs, actions and suits arising out of or in connection with any breach of any representation or warranty made by it and contained in this agreement.

## 8. <u>REPRESENTATIONS AND WARRANTIES OF CRAZY HORSE</u>

8.01 Crazy Horse represents and warrants to the Optionor that:

(a) it has full corporate power and authority to enter into this Agreement;

(b) the entering into of this agreement does not conflict with any applicable laws or with its charter documents nor does it conflict with, or result in a breach of, or accelerate the performance required by any contract or other commitment to which it is party or by which it is bound;

(c) it is a company in good standing pursuant to the laws of the Province of British Columbia;

(d) its will use its best efforts to obtain a listing of its common shares on the TSX-V in a timely manner;

(e) the shares issued to the Optionor pursuant to this agreement will, when issued, be fully paid and non-assessable shares in the capital of Crazy Horse, free and clear of all charges, liens and encumbrances, and shall be free of all restrictions on trading other than those required by law, the TSX-V, or by any securities regulatory body having jurisdiction over Crazy Horse;

(f) it has not committed an act of bankruptcy, is not insolvent, has not proposed a compromise or arrangement to its creditors generally, has not had any petition for a receiving order in bankruptcy filed against it, has not made a voluntary assignment in bankruptcy, has not taken any proceedings with respect to a compromise or arrangement, has not taken any proceeding to have itself declared bankrupt or wound-up, has not taken any proceeding to have a receiver appointed of any part of its assets, has not had any encumbrancer take possession of any of its assets and has not had any execution or distress become enforceable or become levied upon any of its assets;

(g) the entering into of this Agreement does not conflict with any Applicable Laws or with the Crazy Horse's charter documents nor does it conflict with, or result in a breach of, or accelerate the performance required by any contract or other commitment to which Crazy Horse is party or by which it is bound; and

(h) the execution and delivery of this Agreement and completion by Crazy Horse of its obligations contained herein have been duly and validly authorized and this Agreement constitutes a valid and binding agreement on the part of Crazy Horse, enforceable against Crazy Horse in accordance with its terms.

8.02 The representations and warranties hereinbefore set out are conditions upon which the Optionor has relied in entering into this agreement and shall survive the exercise of the Option, and Crazy Horse hereby indemnifies and saves the Optionor harmless from all loss, damage, costs, actions and suits arising out of or in connection with any breach of any representation or warranty made by it and contained in this agreement.

## 9. COVENANTS OF THE OPTIONOR

9.01 The Optionor hereby covenants with and to Crazy Horse that:

(a) it will, within 30 days following the execution and delivery of this agreement, provide Crazy Horse with all of the data and information in its possession or under its control relating to the Optionor's exploration activities on and in the vicinity of the Property;

(b) until such time as the Option is exercised or otherwise terminates, it will not deal, or attempt to deal with its right, title and interest in and to the Property in any way that would adversely affect the right of Crazy Horse to become absolutely vested in a 100% undivided interest in and to the Property, free and clear of any liens, charges and encumbrances;

(c) allow Crazy Horse access to all reports, maps, sections, drill logs, assay results, studies, technical data and other information in its possession, whether in paper or electronic form, in respect of the Property; and

(d) provide to Crazy Horse copies of all correspondence with or from the Mining Recorder pertaining to mineral tenure or assessment work in respect of the Property.

**10. <u>COVENANTS OF CRAZY HORSE</u>**

10.01 Crazy Horse covenants and agrees with the Optionor that until the Option is exercised or otherwise terminates it shall:

(a) carry out and record or cause to be carried out and recorded all such work upon the Property as may be required in order to maintain the Property in good standing at all times;

(b) keep the Property clear of liens and other charges arising from its operations thereon;

(c) carry on all operations on the Property in compliance with all applicable governmental regulations and restrictions;

(d) pay or cause to be paid any rates, taxes, duties, royalties, assessments or fees levied with respect to the Property or Crazy Horse's operations thereon;

(e) indemnify and hold the Optionor harmless from and against any and all liabilities, costs, damages or charges arising from the failure of Crazy Horse to comply with the covenants contained in this article or otherwise arising from its operations on the Property;

(f) allow the Optionor or any duly authorized agent or representative of the Optionor to inspect the Property upon giving Crazy Horse 48 hours written notice; PROVIDED HOWEVER that it is agreed and understood that the Optionor or any such agent or representative shall not interfere with Crazy Horse's activities on the Property and shall be at his own risk and that Crazy Horse shall not be liable for any loss, damage or injury incurred by the Optionor or its agent or representative arising from its inspection of the Property, however caused;

(g) allow the Optionor access at all reasonable times and intervals to all factual maps, reports, assay results and other factual technical data prepared or obtained by Crazy Horse in connection with its operations on the Property;

(h) deliver to the Optionor, in a timely manner, a comprehensive geological report detailing the work carried out during the Seed Phase exploration program, and a comprehensive report, setting out the work performed during each 12-month period following the Trade Date, together with copies of all material assay results and reports of sub-contractors;

(i) provide the Optionor with copies of any and all documents filed by Crazy Horse with the Government of British Columbia with respect to the Property; and

(j) obtain and maintain or cause any contractor engaged by it hereunder to obtain and maintain, during any period in which active work is carried out hereunder, reasonably adequate insurance.

**11. TERMINATION**

11.01 Crazy Horse, at any time after it has paid the Optionor $20,000 may terminate this Agreement at any time upon giving 30 days' written notice thereof to the Optionor.

11.02 Notwithstanding paragraph 11.01, if Crazy Horse fails to make any payment or fails to do any thing on or before the last day provided for such payment or performance under this Agreement, the Optionor may terminate this agreement but only if:

(a) it shall have first given to Crazy Horse written notice of the failure containing particulars of the payment which Crazy Horse has not made or the act which Crazy Horse has not performed; and

(b) if the notice relates to a cash payment to the Optionor, Crazy Horse has not made such payment within five business days following delivery of the Optionor's notice; or

(c) in every other case, Crazy Horse has not within 30 days following delivery of the Optionor's notice given notice to the Optionor that it has cured such failure or commenced proceedings to cure such failure by appropriate performance (Crazy Horse hereby agreeing that should it so commence to cure any failure it will prosecute the same to completion without undue delay).

11.03 Should Crazy Horse fail to make the payment contemplated in sub-paragraph 11.02(b) within the said five business days, this Agreement shall be deemed to have terminated on the day following the last day provided for the payment the failure of which by Crazy Horse caused the Optionor to issue the notice referred to in subparagraph 11.02(a) hereof.

11.04 Should Crazy Horse fail to deliver the notice provided for in sub-paragraph 11.02(c) within the said 30 days, this Agreement shall be deemed to have terminated on the day following the last day provided for the performance the failure of which by Crazy Horse caused the Optionor to issue the notice referred to in subparagraph 11.02(a) hereof.

11.05 Upon termination of this Agreement under this article 11, Crazy Horse:

(a) shall cause the Property to be maintained in good standing for a period of at least four (4) months from the date of termination;

(b) shall deliver to the Optionor, within 60 days of the effective date of termination, copies of all factual maps, reports, assay results and other factual data and documentation in its possession relating to its operations on the Property;

(c) will forfeit any and all interest in the Property hereunder and shall cease to be liable to the Optionor in debt, damages or otherwise save for the performance of those of its obligations which were not satisfied on the effective date of termination and which otherwise survive the termination of this Agreement; and

(d) shall vacate the Property within a reasonable time after such termination, but shall have the right of access to the Property for a period of six months thereafter for the purpose of removing its chattels, machinery, equipment and fixtures therefrom.

## 12. INDEPENDENT ACTIVITIES

12.01 Except as expressly provided herein, each party shall have the free and unrestricted right to independently engage in and receive the full benefit of any and all business endeavours of any sort whatsoever, whether or not competitive with the endeavours contemplated herein without consulting the other or inviting or allowing the other to participate therein. No party shall be under any fiduciary or other duty to the other which will prevent it from engaging in or enjoying the benefits of competing endeavours within the general scope of the endeavours contemplated herein. The legal doctrines of "corporate opportunity" sometimes applied to persons engaged in a joint venture or having fiduciary status shall not apply in the case of any party. In particular, without limiting the foregoing, no party shall have an obligation to any other party as to:

(a) any opportunity to acquire, explore and develop any mining property, interest or right presently owned by it or offered to it outside the Property at any time; and

(b) the erection of any mining plant, mill, smelter or refinery, whether or not such mining plant, mill, smelter or refinery treats ores or concentrates from the Property.

## 13. CONFIDENTIALITY OF INFORMATION

13.01 Except as otherwise provided in this paragraph, both parties shall treat all data, reports, records and other information relating to this agreement and the Property as confidential. The text of any news release or any other public statements, other than those required by law or regulatory bodies or stock exchanges, which a party desires to make shall be sent to the other party for its comments prior to publication and shall not include references to the other party unless such party has given its prior consent in writing, such consent not to be unreasonably withheld. The text of any disclosure which a party is required to make by law, by regulatory bodies or stock exchanges shall be sent to the other party prior to filing in order that the other party may have the opportunity to comment thereon. For all public disclosure, whether required to be made or not, any reasonable changes requested by the non-disclosing party shall be incorporated into the disclosure document.

## 14. ARBITRATION

14.01 If there is any disagreement, dispute or controversy (hereinafter collectively called a **"dispute"**) between the parties with respect to any matter arising under this agreement or the construction hereof, then the dispute shall be determined by arbitration in accordance with the following procedures:

(a) the parties to the dispute shall appoint a single mutually acceptable arbitrator. If the parties cannot agree upon a single arbitrator, then the party on one side of the dispute shall name an arbitrator, and give notice thereof to the party on the other side of the dispute;

(b) the party on the other side of the dispute shall within 14 days of the receipt of notice, name an arbitrator; and

(c) the two arbitrators so named shall, within seven days of the naming of the later of them, name a third arbitrator.

If the party on either side of the dispute fails to name its arbitrator within the allotted time, then the arbitrator named may make a determination of the dispute. Except as expressly provided in this paragraph, the arbitration shall be conducted in Vancouver, B.C. and in accordance with the *Commercial Arbitration Act* (British Columbia). The decision shall be made within 30 days following the naming of the latest of them, shall be based exclusively on the advancement of exploration, development and production work on the Property and not on the financial circumstances of the parties, and shall be conclusive and binding upon the parties. The costs of arbitration shall be borne equally by the parties to the dispute unless otherwise determined by the arbitrator(s) in the award.

## 15. DELAYS

15.01 If any party should be delayed in or prevented from performing any of the terms, covenants or conditions of this agreement by reason of a cause beyond the control of such party, whether or not foreseeable, including fires, floods, earthquakes, subsidence, ground collapse or landslides, interruptions or delays in transportation or power supplies, disputes as to title to any portion of the Property (including aboriginal land claims), blockades, strikes, lockouts, wars, acts of God, government regulation (including currency control) or interference or the inability to secure on reasonable terms any private or public permits or authorizations, then any such failure on the part of such party to so perform shall not be deemed to be a breach of this Agreement and the time within which such party is obliged to comply with any such term, covenant or condition of this agreement shall be extended by the total period of all such delays. In order that the provisions of this article may become operative, such party shall give notice in writing to the other party, forthwith and for each new cause of delay or prevention and shall set out in such notice particulars of the cause thereof, and the day upon which the same arose, and shall take all reasonable steps to remove the cause of such delay or prevention, and shall give like notice forthwith following the date that such cause ceased to subsist.

## 16. ASSIGNMENT

16.01 Either party may at any time dispose of all or any part of its interest in and to the Property and this agreement to any third party (the "**Assignee**") provided that the Assignee shall, prior to and as a condition precedent to such disposition, deliver to the non-assigning party its covenant with and to the non-assigning party that:

(a) to the extent of the disposition, the Assignee agrees to be bound by the terms and conditions of this agreement as if it had been an original party hereto; and

(b) it will subject any further disposition of the interest acquired to the restrictions contained in this paragraph;

AND FURTHER PROVIDED THAT the non-assigning party shall have given its prior written consent to such disposition, such consent not to be unreasonably withheld or delayed.

## 17. NOTICES

17.01 Any notice, election, consent or other writing required or permitted to be given hereunder shall be deemed to be sufficiently given if delivered or if mailed by registered air mail or by fax, addressed as follows:

In the case of the Optionor:

MADMAN MINING CO. LTD
#314 – 800 West Pender Street
Vancouver, B.C. V6C 2V6
Attention: President
Fax No: (604) 669-9626

In the case of Crazy Horse:

CRAZY HORSE RESOURCES LTD.
#750 – 999 Canada Place
Vancouver, BC. V6C 3E1
Attention: President
Fax No: (604) 688-9620

and any such notice given as aforesaid shall be deemed to have been given to the parties hereto if delivered, when delivered, or if mailed, on the third business day following the date of mailing, or, if faxed, on the next succeeding business day following the faxing thereof PROVIDED

HOWEVER that during the period of any postal interruption in either the country of mailing or the country of delivery, any notice given hereunder by mail shall be deemed to have been given only as of the date of actual delivery of the same. Any party may from time to time by notice in writing change its address for the purpose of this paragraph.

## 18. GENERAL TERMS AND CONDITIONS

18.01 The parties hereto hereby covenant and agree that they will execute such further agreements, conveyances and assurances as may be requisite, or which counsel for the parties may deem necessary to effectually carry out the intent of this Agreement, including the execution of such agreements as may be necessary to comply with the applicable laws of the British Columbia.

18.02 This Agreement shall represent the entire understanding between the parties with respect to the subject matter hereof and replaces and supersedes all prior agreements and understandings between them with respect to the Property. No representations or inducements have been made save as herein set forth. No changes, alterations, or modifications of this agreement shall be binding upon either party until and unless a memorandum in writing to such effect shall have been signed by both parties hereto.

18.03 The titles to the articles to this Agreement shall not be deemed to form part of this Agreement but shall be regarded as having been used for convenience of reference only.

18.04 The schedules to this agreement shall be construed with and form an integral part of this agreement to the same extent as if they were set forth verbatim herein.

18.05 All references to dollar amounts contained in this agreement are references to Canadian funds.

18.06 This Agreement will be exclusively governed by, and interpreted and construed in accordance with, the laws prevailing in the Province of British Columbia, without reference to its jurisprudence regarding conflict of laws. To the extent that any party to this Agreement seeks a remedy from a court, the parties irrevocably and unconditionally attorn to the exclusive jurisdiction of the courts of the Province of British Columbia and all courts having appellate jurisdiction thereover.

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

18.08 This Agreement may be signed by the parties hereto in as many counterparts as may be necessary and, if required, by facsimile, each of which so signed being deemed to be an original, and such counterparts together shall constitute one and the same instrument and notwithstanding the date of execution will be deemed to bear the date as set forth on the front page of this Agreement.

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto as of the day and year first above written.

The COMMON SEAL of **MADMAN MINING CO LTD.** was hereunto affixed in the presence of: )

Lloyd Brewer )

c/s

**CRAZY HORSE RESOURCES LTD.**
By its authorized signatory:

D. DEVINE, PRESIDENT.

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

18.08 This Agreement may be signed by the parties hereto in as many counterparts as may be necessary and, if required, by facsimile, each of which so signed being deemed to be an original, and such counterparts together shall constitute one and the same instrument and notwithstanding the date of execution will be deemed to bear the date as set forth on the front page of this Agreement.

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto as of the day and year first above written.

| | | |
|---|---|---|
| The COMMON SEAL of **MADMAN MINING CO LTD.** was hereunto affixed in the presence of: | ) | |
| | ) | |
| ______________________________ | ) | c/s |
| ______________________________ | ) | |

**CRAZY HORSE RESOURCES LTD.**
By its authorized signatory:

______________________________
DARREN DEVINE, PRESIDENT

## SCHEDULE "A"

TO THAT PROPERTY OPTION AGREEMENT MADE AS OF JUNE 1, 2007 BETWEEN MADMAN MINING CO. LTD. AND CRAZY HORSE RESOURCES LTD.

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## THE "**PROPERTY**"

All mineral claims that comprise the Property are located in the Campbell River Area of the Nanaimo Mining Division of British Columbia.

| TENURE NUMBER | NAME | ANNIVERSARY DATE | SIZE (Ha) |
|---|---|---|---|
| 538879 | IRON RIVER * | Sept 28, 2007 | 249.6074 |
| 558315 | MAG NE | May 9, 2008 | 499.045 |
| 558316 | MAG NW | May 9, 2008 | 499.0627 |
| 558317 | MAG CE | May 9, 2008 | 499.2952 |
| 558318 | MAG CW | May 9, 2008 | 499.4454 |
| 558320 | MAG SE | May 9, 2008 | 499.5582 |
| 558321 | MAG SW | May 9, 2008 | 249.8188 |
| 558322 | MAG EAST | May 9, 2008 | 374.4665 |
| **Total size (Ha)** | | | **3370.2992** |

* Internal working name for tenure 538879, the claim is unnamed with Mineral Titles.