OPTION AGREEMENT

This option agreement (the "**Agreement**") entered into as of April 25th, 2012 (the "**Effective Date**")

BETWEEN:

Wen Fan, a prospector having its business place at **490 Rue de Champigny, Mont St-Hilaire, J3H-5K4, Ghislaine Savard**, a prospector having its business place at **953 Laudance #408, Québec, Qc, G1X-4Y1, Sylvie Charbonneau**, a prospector having its business place at 93 Dwight, **Morin Heights, Qc, J0R-1H0** and Francois Marcotte , a prospector having its business place at **490 Rue de Champigny, Mont St-Hilaire, J3H-5K4 :**

All four herein acting and represented by **Francois Marcotte**, duly authorized for the purposes herein as he so declares;

(hereinafter referred to collectively as the "**Vendors**")

AND:

Terra Firma Resources Inc., a corporation legally constituted in **Province of British Columbia**, having its head office at **890 West Pender Street, 6th Floor, Vancouver, BC, V6C-1J9**, herein acting and represented by **R.Brian Buchanan**, CEO, duly authorized for the purposes herein as he so declares;

(hereinafter referred to as the "**Buyer**" or "**Terra Firma**")

WHICH PARTIES HAVE AGREED AS FOLLOWS:

AGREEMENT

1. The Vendors hereby grant Terra Firma, hereto present and accepting, effective as of the Effective Date, subject to the terms and conditions hereinafter set out, the option (the "**Option**") to acquire a 100% legal and beneficial interest in the mineral properties referred to as the **Lac des Iles East Property** and comprised of the mining claims described in **Schedule A** attached hereto (hereinafter referred to as the "**Property**"), subject to the Net Smelter Return "**NSR**" described herein.

Each of the Vendors agrees, for the purpose of registering the transfer of its interest and title in the Property or any part thereof, to execute and deliver to Terra Firma contemporaneously with the completion of the payment required under Section 5.1.1 of this Agreement a valid "Mining Rights Transfer Application" as required under the *Mining Act* (Quebec).

WARRANTY

2. This Option to purchase is made with legal warranty with respect to title of the Property, made by each of the Vendors to the Buyer.

REPRESENTATIONS

3.1 **Representations of the Vendors:** Each of **the Vendors** represents and warrants that:

3.1.1 it is a legal person, organized, validly existing and in good standing under the laws of the Province of Québec;

3.1.2 it has the absolute right, authority and capacity to enter into this Agreement, to carry out and complete the sale of the Property and to convey its interest in the Property to the Buyer;

3.1.3 it, along with the other Vendors, is the registered and beneficial owner of an unencumbered one hundred percent (100%) right, title and interest in the Property, and each of the claims comprising the Property is registered in the name of one of the Vendors at the Register of real and immovable mining rights, with the exception of the claims in request which have been properly staked and recorded in accordance with the laws of Quebec and are now pending with Ministère des Ressources Naturelles et de la Faune du Québec ("MRNFQ"), which claims have been applied for through Gestim and the applications have been paid and have been acknowledged as received by the MNRFQ, and that after the registration of such claims, one of the Vendors will be the registered and beneficial owner of each of the claims comprising the Property; and all the claims comprising the Property are identified in a table as well as in a map in Schedule A;

3.1.4 the Property has been legally and properly designated and registered in accordance with the applicable laws of the Province of Québec and is valid and in good standing as of the Effective Date and to the best of the Vendors's knowledge there is no claim or basis for claim that the claims comprising the Property are invalid;

3.1.5 the Property is free and clear of any hypothecs, liens, leases, charges and encumbrances and to the best of the Vendors's knowledge there are no reclamation or similar orders from regulatory bodies with respect to environmental disturbances or clean up;

3.1.6 no person, firm or corporation has any proprietary or possessory interest in the Property or any right capable of becoming an 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, ores, metals or concentrates or any other such products removed from the Property;

3.1.7 there are no actual, pending or threatened actions, suits, claims or proceedings regarding the Property or any basis therefor of which it is aware;

3.1.8 the Vendor has not received notice of any act or omission of any party which could result by notice or lapse of time in the breach, termination, abandonment, forfeiture, relinquishment or other premature termination of its interest in the Property;

3.1.9 it is not a "non resident" of Canada as defined in the *Income Tax Act* (Canada) and the *Taxation Act* (Québec), and each Vendor makes this declaration with the same force and effect as if made under oath under the *Canada Evidence Act;* and

3.1.10 it understands all terms of this Agreement and has had the opportunity to obtain independent legal advice with respect to the subject matter of this Agreement and, further, it represents and warrants that it has sought independent legal advice or hereby waives its right to obtain such advice.

3.2 **Representations of the Buyer:** the Buyer represents and warrants that:

3.2.1 it is a legal person duly incorporated, organized, validly existing and in good standing under the laws of the Province of British Columbia; and

3.2.2 it has the full power, absolute authority and capacity to enter into this Agreement, to carry out the transactions contemplated hereby and to fulfil the obligations contained herein.

POSSESSION

4.1 The Buyer, subject to meeting all the terms of clause 5.1 of this Agreement, shall be the legal owner of the Property retroactively as and from the Effective Date with possession and occupancy thereof as of the Effective Date.

4.2 Each of the Vendors, upon signing the Agreement, will provide copies of all data and reports respecting the Property in its possession to the Buyer at the Buyer's cost.

OPTION TERMS

5.1 The Vendors agree to grant the Buyer the Option to earn a one-hundred per cent (100%) interest in the Property by making aggregate cash payments of one hundred and fifty thousand dollars ($150,000) and issuing an aggregate of one million five hundred thousand (1,500,000) common shares of Terra Firma, as follows:

- 5.1.1 $25,000 (non-refundable) at the signing of this Agreement;
- 5.1.2 Within seven days after the date of the approval of this Agreement by the regulatory authorities (including without limitation the TSX Venture Exchange), Terra Firma shall pay an additional $50,000 cash and issue to the Vendors an aggregate of 750,000 common shares of Terra Firma;
- 5.1.3 Six months after the approval by the regulatory authorities (including without limitation the TSX Venture Exchange), Terra Firma shall pay an additional $40,000 cash and issue to the Vendors an aggregate of 375,000 additional common shares of Terra Firma.
- 5.1.4 Eighteen months after the approval by the regulatory authorities, Terra Firma shall pay an additional $35,000 cash and issue to the Vendors 375,000 additional common shares of Terra Firma.

5.2 Following successful exercise of the Option, Terra Firma shall pay to the Vendors, collectively, a net smelter royalty ("**NSR**") of 2% on all metals produced from the Property, such NSR to be split among the Vendors in accordance with their written instructions to Terra Firma. The Purchaser shall at any time have the right to buy back one per cent (1%) of the NSR by paying to the Vendors one million dollars ($1,000,000), such buy back amount to be split among the Vendors in accordance with their written instructions to Terra Firma.

5.3 The cash and share payments set out in sections 5.1.1 and 5.1.2 are firm commitments and must be made even in the event that the Buyer terminates this Option Agreement and chooses not to exercise the Option granted hereby. It is understood by the parties that, with the exception of these firm commitments, this Agreement confers an option only and, except as otherwise expressly provided herein, the doing of any act or the making of any cash or share payment or incurring of any exploration expenditure by a party shall not be construed as obligating such party to do any further or other act or make or incur any further or other payment. Any of the cash payments and share issuances may be made or incurred prior to the due dates set out above. Any cash payment or share issuance made or incurred prior to its deadline shall be credited towards future cash payments or share issuances required under this Agreement.

5.4 The cash payments and the common shares issuable to the Vendors under this Agreement shall be issued by Terra Firma and distributed among the Vendors as the Vendors shall jointly advise Terra Firma in writing.

MISCELLANEOUS PROVISIONS

6.1 This Agreement shall be governed and interpreted in accordance with the laws of the Province of Québec.

6.2 The Buyer will, upon registration of the "Mining Rights Transfer Application" referred to in Section 1, submit a certified copy of this Agreement as an attachment and integral part of the transfer of legal title to the Property. Simultaneously, the Buyer shall register this Agreement in the Registry of Immovable Properties at the Rouyn-Noranda courthouse.

6.3 No party to this Agreement shall, without the express written consent of the other party or parties, such consent not to be unreasonably withheld, disclose any of the terms of this Agreement or any information regarding or relating to the Property, the exploration work carried out thereon and the technical information and data derived therefrom prior to the Effective Date (the "Confidential Information") to any other person or entity. Notwithstanding anything contained in this section the parties shall have the right to disclose the Confidential Information in strict confidence to their attorneys or financial and mining consultants and may make any disclosure which may be required by law, securities regulatory bodies, or stock exchanges governing any of the parties.

6.4 If the Buyer is prevented from or delayed in performing any of its obligations required under this Agreement by a cause beyond its reasonable control (other than its own lack of funds), then the time for the performance of the obligation shall be extended for a period equivalent to the period of the delay resulting from the cause beyond the Buyer's reasonable control. If the Buyer intends to rely on this section must provide the other party or parties with notice of the occurrence of the event which gives rise to the delay as soon as possible after it occurs. A cause beyond the Buyer's reasonable control shall include, but not be limited to, acts of God, fire, floods, explosions, major interruptions or delays in transportation, war, insurrection or mob violence, nationalization, or non-availability of labour, equipment or materials.

6.5 This Agreement constitutes the entire agreement and understanding between the Vendors and the Buyer and supersedes all previous understandings or agreements whether written or oral, pertaining to the subject matter hereof. Any additions or adjustments to the Agreement shall be in writing and signed by the parties.

6.6 Upon execution of this Agreement, the Buyer assumes full responsibility for all work undertaken by it on the Property and upon acquisition of the Property in accordance with section 5.1, for all previous work undertaken by it on the Property.

6.7 The parties have requested that this Agreement and any other contracts, documents or notices relating hereto be drafted in English. *Les parties ont exigé que le présent acte et tous les autres contrats, documents ou avis y afférents ou accessoires aux présentes soient rédigés en langue anglaise.*

6.8 The headings of the sections of this Agreement are for convenience only and do not form a part of this Agreement. They are not intended to affect the construction of anything herein contained or govern the rights and liabilities of the parties.

6.9 This Agreement may be executed in counterparts which may be delivered by facsimile or by e-mail (scan) . Each executed counterpart shall be deemed to be an original and all such counterparts when read together constitute one and the same instrument.

6.10 Notwithstanding anything else to the contrary herein, the obligations of the Buyer hereunder are subject to receipt by the Buyer of approval from the TSX Venture Exchange for the Buyer entering into this Agreement and fulfilling its obligations hereunder.

IN WITNESS WHEREOF, the parties have signed this Agreement as follows:

At Montréal, Quebec,
this 25th day of April 2012,

Francois Marcotte

Sylvie Charbonneau

Wen Fan

Ghislaine Savard

At Vancouver, BC
this 25th day of April 2012

R. Brian Buchanan, CEO
Terra Firma Resources, Inc.

Schedule A List of the claims

Feuillet	Rg	Lot	Ha
31J05	4	25	43,52
31J05	4	26	42,74
31J05	4	27	43,01
31J05	4	28	42,52
31J05	4	29	41,49
31J05	4	37	59,19
31J05	4	38	59,34
31J05	14	60	59,36
31J05	15	60	59,35
31J05	16	60	59,34
31J05	17	60	59,33
31J05	18	52	59,32
31J05	18	60	59,32
31J06	14	1	59,36
31J06	14	2	59,32
31J06	14	3	59,36
31J06	14	4	59,36
31J06	14	5	59,36
31J06	15	1	59,35
31J06	15	2	59,34
31J06	15	3	59,35
31J06	15	4	59,35
31J06	15	5	59,36
31J06	15	6	59,35
31J06	15	7	59,35
31J06	16	1	59,34
31J06	16	2	59,33
31J06	16	3	59,34
31J06	16	4	59,34
31J06	16	5	59,34
31J06	16	6	59,34
31J06	17	1	59,33
31J06	17	2	59,36
31J06	17	3	59,33
31J06	17	4	59,33
31J06	17	5	59,33

Feuillet	Rg	Lot	Ha
31J06	18	1	59,32
31J06	18	2	59,35
31J06	18	3	59,32
31J06	18	4	59,32
31J06	18	5	59,32
31J06	18	6	59,32
31J06	19	2	59,31
31J06	19	3	59,31
31J06	19	4	59,31
31J06	19	5	59,31
31J06	19	6	59,31
31J06	19	7	59,31
31J06	19	8	59,31
31J06	20	3	59,31
31J06	20	4	59,31
31J06	20	5	59,31
31J06	20	6	59,31
31J06	20	7	59,31
31J06	20	8	59,31
31J06	20	9	59,31
31J06	20	10	59,31
31J06	21	5	59,3
31J06	21	6	59,3
31J06	21	7	59,3
31J06	21	8	59,3
31J06	21	9	59,3
31J06	21	10	59,3
31J06	22	5	59,29
31J06	22	6	59,29
31J06	22	7	59,29
31J06	22	8	59,29
31J06	22	9	59,29
31J06	22	10	59,29
31J06	23	8	59,28
31J06	23	9	59,28
31J06	23	10	59,28