
FIFTH AMENDMENT AGREEMENT TO SILVER PURCHASE AGREEMENT

Among

EACH OF THE PURCHASERS FROM TIME TO TIME PARTY HERETO

as Purchasers

– and –

FALCO RESOURCES LTD.

as Seller

– and –

OSISKO GOLD ROYALTIES LTD

as Purchasers' Agent

– and –

OSISKO GOLD ROYALTIES LTD

as Collateral Agent

Dated as of January 30, 2025

WHEREAS the Purchasers, the Seller, the Purchaser's Agent and the Collateral Agent entered into a Silver Purchase Agreement dated as of February 27, 2019 (the "**Silver Purchase Agreement**");

AND WHEREAS on January 31, 2020, the Parties hereto entered into an amendment to the Silver Purchase Agreement in order to extend certain deadlines set forth therein in accordance with Section 15.1 of the Silver Purchase Agreement (the "**First Amendment**");

AND WHEREAS on October 27, 2020, the Parties hereto entered into a letter agreement with respect to the Silver Purchase Agreement, as amended by the First Amendment, pursuant to which Osisko consented to certain matters in relation to (i) a secured convertible debenture financing of the Seller from Glencore Canada Corporation which closed on October 27, 2020 and (ii) the execution of offtake agreements by the Seller with Glencore Canada Corporation or one of its affiliates (the "**Consent Letter**");

AND WHEREAS on November 27, 2020, the Parties hereto entered into a second amendment to the Silver Purchase Agreement in order to extend certain deadlines set forth therein in accordance with Section 15.1 of the Silver Purchase Agreement (the "**Second Amendment**");

AND WHEREAS pursuant to a letter of the Purchaser's Agent and sole Purchaser dated May 17, 2021, the sole Purchaser under the Existing Silver Purchase Agreement funded in August 2021 an amount of \$10,000,000 towards the partial payment of the Second Instalment under the Existing Silver Purchase Agreement, the whole in accordance with the terms of such letter;

AND WHEREAS on January 31, 2022, the Parties hereto entered into a third amendment to the Silver Purchase Agreement in order to extend certain deadlines set forth therein in accordance with Section 15.1 of the Silver Purchase Agreement (the "**Third Amendment**");

AND WHEREAS on January 31, 2023, the Parties hereto entered into a letter agreement with respect to the Silver Purchase Agreement, as amended by the First Amendment, the Consent Letter, the Second Amendment and the Third Amendment, pursuant to which Osisko irrevocably waived until March 1, 2023 certain rights that may arise or be triggered thereunder (the "**Waiver Letter**");

AND WHEREAS on February 23, 2023, the Parties hereto entered into a fourth amendment to the Silver Purchase Agreement in order to extend certain deadlines set forth therein in accordance with Section 15.1 of the Silver Purchase Agreement (the "**Fourth Amendment**");

AND WHEREAS on January 23, 2024, the Parties hereto entered into a letter agreement with respect to the Silver Purchase Agreement, as amended by the First Amendment, the Consent Letter, the Second Amendment, the Third Amendment and the Fourth Amendment, pursuant to which Osisko consented to the execution of the OLIA by Falco and related matters (the "**OLIA Consent Letter**") and together with the Silver Purchase Agreement, the First Amendment, the Consent Letter, the Second Amendment, the Third Amendment, the Waiver Letter and the Fourth Amendment, the "**Existing Silver Purchase Agreement**";

AND WHEREAS the Parties hereto have agreed to execute and deliver this amendment agreement (the "**Amendment Agreement**") to confirm their written approval to amend the Existing Silver Purchase Agreement in order to extend certain deadlines set forth therein in accordance with Section 15.1 of the Existing Silver Purchase Agreement and make certain other changes on the terms and with effect as set forth in this Amendment Agreement;

AND WHEREAS all terms not otherwise defined in this Amendment Agreement shall have the respective meanings given to them in the Existing Silver Purchase Agreement;

NOW THEREFORE, in consideration of the premises and the covenants and agreements herein contained, the Parties hereto agree as follows:

ARTICLE 1 AMENDMENT

The Parties hereto hereby confirm that:

1.1 Section 1.1 of the Silver Purchase Agreement

- (a) The definitions of "Basecore", "BaseCore Royalty Agreement" and "BaseCore Security" are hereby deleted in their entirety and respectively replaced by the following definitions of "Sandstorm", "Sandstorm Royalty Agreement" and "Sandstorm Security", and all references to BaseCore, BaseCore Royalty Agreement and BaseCore Security in the remainder of the Silver Purchase Agreement are replaced by references to Sandstorm, Sandstorm Royalty Agreement and Sandstorm Security, respectively:

"Sandstorm" means Sandstorm Gold Ltd., together with its successors and assigns.

"Sandstorm Royalty Agreement" means the royalty agreement dated July 29, 2011 between Sandstorm (as assignee of BaseCore Metals LP, itself as assignee of Glencore, as successor to Xstrata Canada Corporation) and Falco (as assignee to Alexis Minerals Corporation).

"Sandstorm Security" means the Deed of Hypothec granted by Falco in favour of Basecore (and subsequently assigned to Sandstorm) pursuant to a deed of hypothec dated on or about February 27, 2019."

- (b) The definition of "Commencement of Commercial Production Outside Date" is hereby deleted in its entirety and replaced with the following:

"Commencement of Commercial Production Outside Date" means June 30, 2030, extendible day for day for any period during which a Force Majeure is in effect, up to a maximum of 180 days in the aggregate."

- (c) The definition of "Completion Outside Date" is hereby deleted in its entirety and replaced with the following:

"Completion Outside Date" means June 30, 2031, extendible day for day for any period during which a Force Majeure is in effect, up to a maximum of 365 days in the aggregate."

- (d) The definition of "Feasibility Study" is hereby deleted in its entirety and replaced with the following:

"Feasibility Study" means the feasibility study with respect to the Horne 5 Project dated October 2017, as updated on March 18, 2021 and as may be further updated or supplemented from time to time."

- (e) The definition of "Glencore Property Documents" is hereby deleted in its entirety and replaced with the following:

""**Glencore Property Documents**"" means the agreements described in Schedule 1.1(b) (including, the Asset Purchase Agreement and the Glencore Security) together with any related licenses to operate, indemnities and authorizations (including any Project Approvals from Glencore) obtained, or entered into, by Falco from time to time pursuant to or in accordance with the Asset Purchase Agreement, including the OLIA and the other Approvals or agreements with Glencore listed in Schedule 1.1(g)."

- (f) The definition of "Intercreditor Agreement" is hereby deleted in its entirety and replaced with the following:

""**Intercreditor Agreement**"" means the Second Amended and Restated Intercreditor Agreement entered into on January 23, 2024 among Glencore, Sandstorm, the Purchasers' Agent, the Collateral Agent, the Purchaser, Osisko, as lender, and Falco, as may be amended and restated from time to time.

- (g) The definition of "Minimum Eligible Financing" is hereby deleted in its entirety and replaced with the following:

""**Minimum Eligible Financing**"" means the issuance by Falco of Qualified Interests in respect of which Falco immediately receives no less than unrestricted gross proceeds of Cdn\$135,000,000 (net only of commissions, fees and expenses), to be used by Falco exclusively to fund the Project Costs and pay applicable commissions, fees and expenses. "

- (h) The definition of "OLIA" is hereby included to provide for the following:

""**OLIA**"" means the operating license and indemnity agreement dated January 23, 2024 between Falco and Glencore."

- (i) The definition of "Permitted Encumbrances" is hereby amended to provide for the following paragraph (q):

"Encumbrances in favour of Glencore with respect to the OLIA."

- (j) The definition of "Permitted Indebtedness" is hereby amended to provide for the following paragraph (h):

"Indebtedness in favour of Glencore with respect to the OLIA."

- (k) The definition of "**Silver Production Test Start Date**" is hereby included to provide for the following:

""**Silver Production Test Start Date**"" means December 31, 2029, extendible from one 12-month period to the next as per Section 2.3 so long as the Horne 5 Project has not achieved first silver production."

1.2 Section 2.3 of the Silver Purchase Agreement

Section 2.3 is hereby deleted in its entirety and replaced with the following:

"Falco shall deliver at least six (6) million ounces of Refined Silver (the "**Minimum Delivery**") within the period commencing on the Silver Production Test Start Date

and ending on the date (the "**Minimum Delivery Date**") that is sixty (60) months following the Silver Production Test Start Date. If Falco has not delivered the Minimum Delivery by the Minimum Delivery Date, Falco will owe Refined Silver in an amount equal to the difference between the Minimum Delivery and the number of ounces of Refined Silver delivered to all Purchasers hereunder since the Silver Production Test Start Date, together with annual interest (compounded annually from the Silver Production Test Start Date until paid in full) equal to twelve percent (12%) payable in kind by delivery of Refined Silver. At least 120 days prior to the Minimum Delivery Date, Falco shall advise in writing each Purchaser whether it has met or expects to meet its obligation under this Section by no later than the Minimum Delivery Date. Falco shall provide to each Purchaser within 5 Business Days following the Minimum Delivery Date a statement of account reconciling all Deliveries made to each Purchaser as at the Minimum Delivery Date and, to the extent it has not delivered the Minimum Delivery by the Minimum Delivery Date it shall pay to each Purchaser, in Refined Silver, any amounts owing by it under this Section by no later than the date that is ninety (90) days after the Minimum Delivery Date.

Falco may elect to delay the Silver Production Test Start Date from one period of twelve (12) months to the next, for which Falco shall pay to the Purchasers, in Refined Silver, within 10 Business Days following said Silver Production Start Date, an amount equal to an annual interest of 12% calculated on the then portion of the Deposit disbursed by the Purchasers (compounded annually from December 31, 2029 to the Silver Production Test Start Date). For greater clarity, should Falco achieve first production of silver from the Project, this election will no longer be available, and Falco will have to meet the Minimum Delivery by the Minimum Delivery Date and the mechanism provided in the above paragraph will apply."

1.3 Section 3.1(c) of the Silver Purchase Agreement

Section 3.1(c) is hereby deleted in its entirety and replaced with the following:

"a third instalment (the "**Third Instalment**") in the amount of Cdn\$35,000,000 to be paid concurrently with the Second Instalment as one single instalment totalling Cdn\$45,000,000 by no later than January 31, 2026 (the "**Third Instalment Expiry Date**") and to be used by Falco in accordance with the terms of Section 3.8."

1.4 Section 3.1(d) of the Silver Purchase Agreement

Section 3.1 (d) is hereby deleted in its entirety and replaced with the following:

"a fourth instalment (the "**Fourth Instalment**") in the amount of Cdn\$60,000,000 to be paid by no later than January 31, 2027 (the "**Fourth Instalment Expiry Date**") and to be disbursed on a pro rata basis with each drawdown of the Project Facility, subject to early drawdowns by Falco for the acquisition of long-lead time items as consented to by the Purchasers' Agent (acting on the instructions of the Majority Purchasers, acting reasonably), and in each case to be used by Falco in accordance with the terms of Section 3.8; provided that, the Majority Purchasers may, in their sole and absolute discretion, elect that all or any portion of the Fourth Instalment be funded by the Purchasers at that time on a more accelerated basis than pro rata with drawdowns under the Project Facility; and"

1.5 Section 3.1(e) of the Silver Purchase Agreement

Section 3.1(e) is hereby deleted in its entirety and replaced with the following:

"a fifth instalment (the **"Fifth Instalment"**) in the amount of Cdn\$40,000,000 to be paid by no later than January 31, 2027 and to be disbursed on a pro rata basis with each drawdown of the Fourth Instalment, and in each case to be used by Falco in accordance with the terms of Section 3.8; provided that, the Unanimous Purchasers may, in their sole and absolute discretion, elect that all or any portion of the Fifth Instalment be funded by the Purchasers at that time on a more accelerated basis than pro rata with drawdowns under the Fourth Instalment."

1.6 Section 3.4(e) of the Silver Purchase Agreement

Section 3.4(e) is hereby deleted and replaced in its entirety by the following paragraph:

"Falco obtaining Minimum Eligible Financing and Falco having demonstrated to the Purchasers' Agent, that the Financial Assurance (as defined in the OLIA) required to allow Falco to proceed with the Commencement of Mining Activities (as defined in the OLIA) can be satisfied by Falco, but only to the extent that such Financial Assurance is required pursuant to the OLIA in force at the time of funding of the Third Instalment in accordance with the terms hereof,"

1.7 Section 11.1(o) of the Silver Purchase Agreement

Section 11.1 (o) is hereby deleted in its entirety and replaced with the following:

"Falco fails to obtain and maintain Material Project Third Party Approvals or Material Project Governmental Approvals required for the development, construction or operation of the Horne 5 Project in accordance with the Operating Plan by January 31, 2026;"

1.8 Section 11.1(u) of the Silver Purchase Agreement

Section 11.1(u) is hereby deleted in its entirety and replaced with the following:

"the Fourth Instalment is not funded by January 31, 2027 (and such funding failure does not result from a Purchaser Event of Default);"

1.9 Schedule 1.1(d) of the Silver Purchase Agreement

Schedule 1.1(d) is hereby deleted in its entirety and replaced with the following:

"For silver in doré – minimum 99.90%;

For silver in cooper concentrate – minimum 90.0%; and

For silver in zinc concentrate – minimum 90.0%."

ARTICLE 2 REPRESENTATIONS AND WARRANTIES

To induce the Purchasers, the Purchasers' Agent and the Collateral Agent to enter into this Amendment Agreement, the Seller represents, warrants and covenants to the Purchasers, the Purchasers' Agent and the Collateral Agent as follows, which representations, warranties and covenants shall survive the execution and delivery hereof:

- 2.1 All necessary action has been taken to authorize the execution, delivery and performance of this Amendment Agreement. This Amendment Agreement has been duly executed and delivered by the Seller and constitutes legal, valid and binding obligations of the Seller enforceable against it in accordance with its terms;
- 2.2 The execution and delivery by the Seller and the performance by it of its obligations under the Existing Silver Purchase Agreement, as amended by this Amendment Agreement, will not conflict with or result in a breach of any of the terms or conditions of its constating documents or by-laws, any Applicable Law or any contractual restriction binding on or affecting it or its property and assets, other than as already disclosed in the Schedules to the Silver Purchase Agreement;
- 2.3 No Event of Default exists under the Existing Silver Purchase Agreement, as amended by this Amendment Agreement;
- 2.4 The Existing Silver Purchase Agreement, as amended pursuant hereto, and each of the other Transaction Documents to which the Seller is a party remains in full force and effect, unamended, and constitutes legal valid and binding obligations of it enforceable against the Seller in accordance with its terms; and
- 2.5 The hypothecs, security interests, mortgages, charges, liens, assignments, transfers and/or pledges, as applicable, granted by the Seller in favour of the Collateral Agent, on behalf of the Purchasers, pursuant to the Security Documents continue to secure the payment and performance of its obligations under the Existing Silver Purchase Agreement, as amended by this Amendment Agreement, and the other Transaction Documents to which it is a party.

ARTICLE 3 EFFECTIVENESS

This Amendment Agreement amends the Existing Silver Purchase Agreement with effect on January 30, 2025. The Existing Silver Purchase Agreement, as amended by this Amendment Agreement, shall constitute one agreement and the Existing Silver Purchase Agreement, so amended, is hereby ratified and confirmed by the Parties hereto. Upon this Amendment Agreement becoming effective, all references to the "**Silver Purchase Agreement**" or similar references contained in the other Transaction Documents prior to the effectiveness of this Amendment Agreement in connection with or under the Silver Purchase Agreement shall mean and be a reference to the Existing Silver Purchase Agreement as amended pursuant to this Amendment Agreement. Except as specifically amended by this Amendment Agreement, the Existing Silver Purchase Agreement shall remain in full force and effect.

ARTICLE 4 GENERAL

4.1 Governing Law and Attornment

This Amendment Agreement shall be governed by and construed under the laws of the Province of Québec and the federal laws of Canada applicable therein, regardless of any conflict of law rules. Each of the Parties irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of Québec.

4.2 Press Releases

The Parties shall jointly plan and co-ordinate, and shall cause their respective Affiliates to jointly plan and coordinate, any public notices, press releases, and any other publicity concerning the entering into of this Amendment Agreement and none of the Parties or their respective Affiliates shall act in this regard without reasonable prior consultation with the other Parties, unless such disclosure is required to meet timely disclosure obligations of such Parties or their Affiliates under Applicable Laws in circumstances where prior consultation with the other Parties is not practicable, and a copy of such disclosure shall be provided to the other Parties at such time as it is made publicly available. Each Party shall act in good faith to accommodate the suggestions and requests of the other Party, and, if a press release identifies a Party, the disclosing Party shall not, and shall cause its Affiliate not to, release such press release without the consent of such non-disclosing Party, provided however, that Party and its Affiliates shall be entitled to make such announcements and disclosures as are, in the opinion of its counsel, required by law or the rules of any stock exchange or that are not Confidential Information.

4.3 Amendments

This Amendment Agreement may not be changed, amended or modified in any manner, except pursuant to an instrument in writing signed on behalf of each of the Parties.

4.4 Beneficiaries

This Amendment Agreement is for the sole benefit of the Parties and their successors and permitted assigns and nothing herein is intended to or shall confer upon any other person any legal or equitable right, benefit or remedy of any nature or kind whatsoever under or by reason of this Amendment Agreement. This Amendment Agreement shall enure to the benefit of and shall be binding on and enforceable by the Parties and their respective successors and permitted assigns.

4.5 Waivers

Any waiver of, or consent to depart from, the requirements of any provision of this Amendment Agreement shall be effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Amendment Agreement shall operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

4.6 Severability

If any provision of this Amendment Agreement is determined to be invalid, illegal or unenforceable in any respect, all other provisions of this Amendment Agreement shall nevertheless remain in full force and effect and the Parties shall negotiate in good faith to replace any provision that is invalid,

illegal or unenforceable with such other valid provision that most closely replicates the economic effect and rights and benefits of such impugned provision.

4.7 Language

The Parties acknowledge that they have agreed that this Amendment Agreement be drawn up in English. *Les Parties reconnaissent avoir convenu que la présente convention de modification soit rédigée en anglais.*

4.8 Counterparts

This Amendment Agreement may be executed in one or more counterparts, and by the Parties in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment Agreement by telecopy or electronic scan shall be effective as delivery of a manually executed counterpart of this Amendment Agreement.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

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

**OSISKO GOLD ROYALTIES LTD,
as Purchaser**

Per: (signed) Iain Farmer
Name: Iain Farmer
Title: Vice President, Corporate Development

Per: (signed) André Le Bel
Name: André Le Bel
Title: Vice President, Legal Affairs
and Corporate Secretary

**FALCO RESOURCES LTD.,
as Seller**

Per: (signed) Luc Lessard
Name: Luc Lessard
Title: President and Chief Executive Officer

Per: (signed) Anthony Glavac
Name: Anthony Glavac
Title: Chief Financial Officer

**OSISKO GOLD ROYALTIES LTD,
as Purchasers' Agent**

Per: (signed) Iain Farmer
Name: Iain Farmer
Title: Vice President, Corporate Development

Per: (signed) André Le Bel
Name: André Le Bel
Title: Vice President, Legal Affairs
and Corporate Secretary

**OSISKO GOLD ROYALTIES LTD,
as Collateral Agent**

Per: (signed) Iain Farmer
Name: Iain Farmer
Title: Vice President, Corporate Development

Per: (signed) André Le Bel
Name: André Le Bel
Title: Vice President, Legal Affairs
and Corporate Secretary