October 25, 2018

PEREGRINE METALS LTD.
90 Peninsula Road, P.O. Box 1508
Marathon, Ontario
Canada
P0T 2E0

Ref.: **OA Offer No. 1/2018**

Dear Sirs,

ALDEBARAN RESOURCES INC., a company duly organized and validly existing under the laws of the Province of Alberta, Canada, and for purposes of this Offer (as defined below) with its address at Dentons Canada LLP, 15th Floor, Bankers Court, 850 - 2nd Street SW Calgary, AB T2P 0R8, Canada (the "**Offeror**") hereby irrevocably offers to **PEREGRINE METALS LTD.**, a company duly organized and validly existing under the laws of Canada, having an address at 90 Peninsula Road, P.O. Box 1508, Marathon, Ontario, Canada, P0T 2E0 ("**Peregrine**") to enter into an operating agreement dated effective October 25, 2018 in the form attached hereto as Appendix A (including all exhibits and schedules thereto, the "**Offer**," and once accepted pursuant to the terms hereof, the "**Operating Agreement**"). For purposes of the Offer, the Offeror, and Peregrine are collectively referred to herein as the "**Parties**," and each of the foregoing individually, as a "**Party**."

The Offer shall be deemed accepted by Peregrine upon receipt by the Offeror on or before October 25, 2018 11:59 PM New York Time (the "**Term**"), of a written notice from Peregrine confirming its acceptance of the terms and conditions hereof (the "**Acceptance Notice**"). In case Peregrine fails to accept the Offer on or before the expiration of the Term, the Offer shall automatically lose all force and effect.

If on or prior to the expiration of the Term, the Offeror receives the Acceptance Notice, the Operating Agreement shall become in full force and effect in accordance with the terms and conditions set forth in Appendix A as if each of the Parties had executed and delivered the same and shall be legally binding upon, and enforceable against, each and all of the Parties. The Operating Agreement shall be deemed entered into as of the date on which the Acceptance Notice is received by the Offerors.

Sincerely yours,

ALDEBARAN RESOURCES INC.

(signed) "*Mark Wayne*"

Name: Mark Wayne
Position: Chief Financial Officer

APPENDIX A

(see attached)

Dated October 25, 2018

ALDEBARAN RESOURCES INC.

and

PEREGRINE METALS LTD.

OPERATING AGREEMENT

Linklaters

Linklaters LLP
1345 Avenue of the Americas
New York, NY 10105

Telephone (+1) 212 903 9000
Facsimile (+1) 212 903 9100

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THIS AGREEMENT, made as of the 25th day of October 2018,

BETWEEN:

(1) ALDEBARAN RESOURCES INC., a company incorporated under the *Business Corporations Act* (Alberta) ("**SpinCo**" or the "**Operator**"); and

(2) PEREGRINE METALS LTD., a company incorporated under the *Canada Business Corporations Act* (the "**Company**" and, together with the Operator, the "**Parties**").

Whereas:

(A) The Company is the sole shareholder of Minera Peregrine Argentina SA ("**MPASA**") which is the registered or recorded owner of an undivided 100% interest in and to the Altar copper-gold project, located in Argentina, more particularly described in Exhibit B, and the related Products and personal property and equipment (the "**Argentina Mining Property**").

(B) The Company is the sole shareholder of Minera Peregrine Chile SCM ("**MPCSCM**"), which is the registered or recorded owner of certain mining access rights in respect of the Altar copper-gold project, located in Chile, and related personal property and equipment, as more particularly described in Exhibit B (the "**Chile Mining Property**" and, together with the Argentina Mining Property, the "**Mining Property**").

(C) MPASA and MPCSCM have the mining Licenses listed in Exhibit B permitting the entities to engage in Exploration and Development activities in respect of the Mining Property.

(D) The Company wishes to engage the services of the Operator as an independent contractor to undertake Exploration and Development activities in respect of the Mining Property.

(E) The Operator wishes to accept engagement by the Company and is willing to undertake Exploration and Development activities in respect of the Mining Property, subject to the terms and conditions set forth in this Agreement.

Now therefore, in consideration of the premises and of the mutual covenants and agreements herein contained, the Parties hereto have agreed as follows:

1 DEFINITIONS

For purposes of this Agreement the following definitions will apply:

1.1 "**2018 Program and Budget**" means the Program and Budget approved by the Participants for the 2018 calendar year;

1.2 "**Additional Earn-in Election**" means SpinCo's option to elect to acquire the Additional Interest by funding the Additional Earn-in Expenditures;

1.3 "**Additional Earn-in Expenditures**" means additional Qualifying Expenditures in respect to the Mining Property which SpinCo may elect to spend to acquire the Additional Interest as set forth in the Joint Venture Agreement;

1.4 "**Additional Interest**" means additional shares of the Company representing a further 20% ownership interest in the Company which may be acquired by SpinCo upon satisfaction by SpinCo of the Additional Earn-in Expenditures, provided SpinCo must have first acquired the SpinCo Interest;

1.5 **"Affected Party**" means a party that is prevented from or delayed in performing any of its obligations under this Agreement by a Force Majeure Event.

1.6 "**Affiliate**" means with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such Person. As used in this definition, the term "control" (including the terms "controlled by" and "under common control with") means possession, directly or indirectly, through one or more intermediaries, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise;

1.7 "**Agreement**" means this Operating Agreement;

1.8 "**Anti-Corruption Laws**" means the U.S. Foreign Corrupt Practices Act of 1977, as amended; the Canadian Corruption of Foreign Public Officials Act; the UK Bribery Act of 2010; any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions; or any other applicable anti-bribery or anti-corruption laws;

1.9 "**Anti-Money Laundering Laws**" means applicable financial recordkeeping and reporting requirements, including those of the U.S. Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable anti-money laundering statutes of all jurisdictions where the relevant entity or any of its subsidiaries conducts business, the rules and regulations thereunder, and any related or similar rules, regulations, or guidelines issued, administered, or enforced by any governmental or regulatory agency;

1.10 "**Argentina Mining Property**" has the meaning set forth in Preamble (A);

1.11 "**Assets**" means the rights and interests of the Company in and to the Mining Property and all other real and personal property, tangible and intangible, owned by or held for the benefit of the Company from time to time;

1.12 "**Authority**" means: (i) any international, multinational, national, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or Regulatory Authority, domestic or foreign; (ii) any subdivision or authority of any of the foregoing; or (iii) any quasi-governmental or private body exercising any statutory, regulatory expropriation, land use or occupation, or taxing authority under or for the account of any of the foregoing;

1.13 "**Authorized Person**" means each of the Parties and/or the Participants, as indicated herein, and their authorized representatives and designees;

1.14 "**Board**" means the Board of the Company;

1.15 "**Business Day**" means any day of the year, other than a Saturday, Sunday or any other day on which banks are closed in: (i) Calgary, Canada; (ii) Johannesburg, South Africa; or (iii) Buenos Aires, Argentina;

1.16 "**Chile Mining Property**" has the meaning set forth in Preamble (B);

1.17 "**Company**" has the meaning set forth in Preamble (2) and includes, where applicable, its subsidiaries, MPASA and MPCSCM;

1.18 "**Confidential Information**" means information disclosed by the Disclosing Party, its Affiliates or Representatives, to the Receiving Party, whether prepared by the Disclosing Party, its advisors or otherwise, and whether oral, written or electronic, together with all analyses, compilations, forecasts, studies, summaries, notes, data and other documents and materials in whatever form maintained whether prepared by a Party or its respective Affiliates, Representatives or others, which contain or reflect, or are generated from, any such information;

1.19 "**Corrupt Act**" means has the meaning set forth in Clause 3.1.7(iii);

1.20 "**Created Intellectual Property**" means any and all inventions, ideas, improvements, discoveries, concepts, writings, processes, procedures, products, designs, formulae, specifications, samples, methods, know how or other things of value ("**Intellectual Property**") which the Operator may make, conceive, discover or develop, either solely or jointly with any other person or persons, at any time during the term of this Agreement whether at the request or upon the suggestion of the Company or otherwise, which relate to the Operations;

1.21 "**Deadlock**" has the meaning set forth in the Joint Venture Agreement;

1.22 "**Defaulting Party**" has the meaning set forth in Clause 12.1;

1.23 **"Development"** means all preparation for the removal and recovery of Products, including the construction or installation of a mill, processing plant, leach pads or any other improvements to be used for the mining, handling, milling, treatment, processing or other beneficiation of Products and the preparation of feasibility studies and financing plans and the subsequent sale of Products;

1.24 "**Disclosing Party**" means a Party who is disclosing Confidential Information;

1.25 "**Effective Date**" means the date of this Agreement;

1.26 "**Exploration**" means any activities directed toward ascertaining the existence, location, quantity, quality or commercial value of deposits of Products;

1.27 "**Feasibility Determination**" means the determination by the Participants, following completion of the Feasibility Study and review of the Feasibility Report, that extraction is reasonably justified, and therefore to raise capital to commence construction associated with project development sufficient to ultimately attain commercial production at the Mining Property;

1.28 "**Feasibility Report**" means a bankable feasibility report on the Mining Property prepared by a third party in good faith in accordance with internationally accepted standards in the mining industry following the guidelines of NI 43-101 and Form NI 43-101F1, and reviewed and approved in good faith by a "Qualified Person", as defined under NI 43-101, summarizing the results of the Feasibility Study;

1.29 "**Feasibility Study**" means a comprehensive technical and economic study for the Mining Property, which shall be performed in accordance with Good Industry Practice and shall include assessments of mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors, as well as any other relevant operational factors and detailed financial analysis, to determine whether extraction is reasonably justified, but shall not include a preliminary economic assessment or pre-feasibility study;

1.30 "**Force Majeure Event**" means the occurrence of any (or any combination) of the following events or circumstances, which (or any of the consequences of which): (a) are beyond the reasonable control of the Affected Party; (b) could not have been prevented by Good Industry Practice or the exercise of reasonable care and skill by the Affected Party; or (c) is not substantially caused by the Affected Party::

(i) any strike, lock-out or any other industrial action or labor dispute on a industry-wide or provincial basis in Argentina;

(ii) any act of war (whether declared or undeclared), invasion, armed conflict, act of a foreign enemy, blockade, riot, civil strife, embargo, revolution or terrorism;

(iii) any act of state or other exercise of sovereign, judicial or executive prerogative by any competent authority of the state restricting inflows of foreign currency into Argentina or involving expropriation, nationalization or compulsory acquisition claimed to be justified by executive necessity;

(iv) any (i) changes to laws or regulations, (ii) orders, proclamations or instructions of any government or governmental entity, (iii) judgments or order of any court or (iv) inability to obtain any public or private license, permit or other authorization, in each case that prevents the continuation of or has a material adverse effect on the Operations; or

(v) any acts of God, including lightning, earthquake, tempest, flooding, fire, cyclone, hurricane, typhoon, tidal wave, whirlwind, storm, volcanic eruption, avalanche, landslide and other unusual and extreme adverse weather or environmental conditions or action of the elements.

1.31 "**Good Industry Practice**" means in relation to any decision or undertaking, the exercise of that degree of diligence, skill, care, prudence, oversight, economy and stewardship which is commonly observed or would reasonably be expected to be observed by skilled and experienced professionals in the Canadian mining industry engaged in the same type of undertaking under the same or similar circumstances.

1.32 "**Joint Venture**" means the business arrangement of the Participants under the Joint Venture Agreement from and after the effective date of the Joint Venture Agreement;

1.33 "**Joint Venture Agreement**" means the joint venture agreement between Stillwater Canada LLC and SpinCo dated October 25, 2018;

1.34 "**Licenses**" means all licenses, permits, approvals, mining authorizations and other documents necessary for the Company to carry out the full scope of its business activity with respect to the Mining Property, including all licenses and permits from competent authorities authorizing the Company to prospect for, develop deposits of, and mine ores, and to produce and sell minerals therefrom;

1.35 "**Maintenance Costs**" means fees, rentals, taxes, and other payments and costs incurred in satisfying work expenditure requirements, preparing reports, and satisfying other requirements imposed under the Mineral Interests of the Company in and to the Mining Property that must be paid or incurred in order for the Mineral Interests to remain in good standing;

1.36 "**Management Fee**" means an amount payable annually to the Operator reflecting reasonable reimbursement for indirect overhead costs incurred by the Operator;

1.37 "**Mineral Interests**" means mining claims, mineral rights, mineral leases, prospecting contracts and other interests in minerals recognized as such by applicable law in Argentina or Chile, and any interest therein including any right to acquire such interests;

1.38 "**Mining Property**" has the meaning set forth in Preamble (B);

1.39 "**MPASA**" has the meaning set forth in Preamble (A);

1.40 "**MPCSCM**" has the meaning set forth in Preamble (B);

1.41 "**Non-Defaulting Party**" has the meaning set forth in Clause 12.1;

1.42 "**Notice of Breach**" has the meaning set forth in Clause 12.1;

1.43 "**Notices**" has the meaning set forth in Clause 14.1.1;

1.44 "**Operations**" means Exploration and Development and all other activities carried out pursuant to this Agreement, including the Feasibility Study;

1.45 "**Operator**" has the meaning set forth in Preamble (1);

1.46 "**Participant**" and "**Participants"** mean the Persons that, from time to time, have Participating Interests, provided that prior to SpinCo's acquisition of the SpinCo Interest, SpinCo shall be considered a Participant for purposes of this Agreement;

1.47 "**Participating Interest**" means the percentage interest representing the ownership interest of a Participant in shares of the Company and all other rights and obligations arising under the Joint Venture Agreement, as such interest may, from time to time, be adjusted;

1.48 "**Parties**" means the parties to this Agreement;

1.49 "**Party**" means a party to this Agreement;

1.50 "**Person**" means an individual, partnership, company, corporation, unincorporated association, joint venture, trust or any other agency or instrumentality thereof or any other judicial entity or person, government or governmental agency, authority or entity howsoever designated or constituted;

1.51 "**Products**" means all ores, metals and minerals, mined or extracted from the Mining Property or any portion thereof and any concentrates produced therefrom, excluding bulk test samples;

1.52 "**Program and Budget**" means a description in reasonable detail of the Operations to be conducted and objectives to be accomplished by the Operator with respect to the Mining Property in a calendar year, together with a detailed estimate of all Qualifying Expenditures to be incurred by the Participants (or SpinCo during the Sole Funding Period) and a Management Fee;

1.53 "**Qualifying Expenditures**" has the meaning set forth in the Joint Venture Agreement;

1.54 "**Receiving Party**" means a Party who is a recipient of Confidential Information;

1.55 "**Regulatory Compliance**" means compliance with the requirements of all applicable laws and regulations;

1.56 "**Regulatory Compliance Plan**" means a plan designed to ensure that the Company operates in Regulatory Compliance;

1.57 "**Regulus**" means Regulus Resources Inc., a company duly incorporated under the laws of Alberta, Canada;

1.58 "**Related Party**" means the Operator and each of its Affiliates and its and its Affiliates' stockholders, partners, members, officers, directors, employees, controlling persons, agents and representatives;

1.59 "**Representatives**" means, in respect of a Party, that Party's directors, officers, employees, agents and advisors (including that Party's financial advisors, attorneys, accountants and other consultants);

1.60 "**Rules**" has the meaning set forth in Clause 14.6.1;

1.61 "**Sanctioned Territory**" means any country, region, or territory that is the subject or the target of Sanctions, including, without limitation, Crimea Region of Ukraine, Cuba, Iran, North Korea (Democratic People's Republic of Korea), and Syria;

1.62 "**Sanctions**" means any sanctions administered or enforced by the U.S. Government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council, the European Union, Her Majesty's Treasury, or other relevant sanctions authority;

1.63 "**Seconded Labor**" has the meaning set forth in Clause 6.1;

1.64 "**Sibanye Stillwater**" means Stillwater Canada LLC;

1.65 "**Site Procedures**" has the meaning set forth in Clause 7.1;

1.66 "**Sole Funding Period**" has the meaning set forth in the Joint Venture Agreement; and

1.67 "**SpinCo Interest**" means shares of the Company representing a 60% ownership interest in Company.

2 APPOINTMENT OF THE OPERATOR

2.1 Appointment

The Company hereby appoints SpinCo as an independent contractor to engage in Operations in respect of the Mining Property, including commissioning the Feasibility Study if deemed advisable in accordance with the Joint Venture Agreement. SpinCo hereby accepts appointment as the Operator in accordance with the terms and conditions set forth in this Agreement.

2.2 Duration

The appointment of the Operator shall commence on the Effective Date and shall, subject to the terms hereof, continue until the termination of the Joint Venture or the termination of this Agreement in accordance with Clause 13.

3 RESPONSIBILITIES AND AUTHORITY OF THE OPERATOR

3.1 Powers and Duties of the Operator

The Operator will supervise, manage, direct and control all Operations on the Mining Property for and on behalf of the Company in accordance with an adopted Program and Budget and in accordance with this Agreement and the Joint Venture Agreement. In the event of a conflict between the terms of this Agreement and the terms of the Joint Venture Agreement, the Operator will act in accordance with the terms of the Joint Venture Agreement. The Operator will make all Qualifying Expenditures necessary to carry out adopted Programs and Budgets and to perform the specific duties set forth on its own during the Sole Funding Period and together with the Company after the Sole Funding Period. Without limiting the generality of the foregoing, subject to the terms and conditions of this Agreement, the Operator will have the following specific powers and duties:

3.1.1 The Operator will manage the day-to-day Operations of the Company.

3.1.2 The Operator will prepare and submit to the Board annual Programs and Budgets relating to Operations in accordance with Clause 4.2. Such Programs and Budgets shall be prepared in substantially the same format and contain substantially the same or greater level of detail as the 2018 Program and Budget set forth in Exhibit A.

3.1.3 The Operator will use its reasonable commercial efforts in accordance with Good Industry Practice to ensure that the Assets are kept and maintained in good condition and repair (although it has no obligation to cause such Assets to be in better condition or repair than they exist as at the date of this Agreement) and in an efficient operating condition, and will include in Programs and Budgets such alterations, improvements and additions to such Assets and replacements thereof as the Operator may deem necessary or advisable in accordance with Good Industry Practice.

3.1.4 The Operator will purchase or otherwise acquire on behalf of the Company all materials, supplies, equipment, vehicles, fuel, tools, water, utility and transportation services required for Operations in accordance with adopted Programs and Budgets.

3.1.5 The Operator will take all actions, perform all duties and make or incur such Qualifying Expenditures as are necessary or advisable in order to maintain and defend the titles and Mineral Interests of the Company and MPASA and MPCSCM in and to the Mining Property, including, without limitation, facilitating the payment by the Company of all taxes and Maintenance Costs required to be paid or incurred with respect to the Mining Property.

3.1.6 The Operator will ensure that the Assets are kept free of liens and other encumbrances other than any liens or encumbrances in existence as of the date of this Agreement and those approved in advance by the Board or which occur in the ordinary course and are diligently discharged, released or contested.

3.1.7 The Operator will:

(i) secure all necessary Licenses in the name of the Company, MPASA or MPCSCM on behalf of the Company;

(ii) conduct Operations on the Mining Property in compliance with all applicable laws and regulations;

(iii) undertake to, and shall procure that any and all employees, agents, related entities, and third parties acting on its behalf, comply with all potentially applicable Anti-Corruption Laws, Anti-Money Laundering Laws, and Sanctions, and ensure that no business is done directly or indirectly in any Sanctioned Territory, with individuals or entities that are the subject or target of any Sanctions, or with entities ultimately owned by any such individuals or entities (acts in violation of such laws, regulations, or regimes, "**Corrupt Acts**");

(iv) implement appropriate policies and procedures designed to reasonably assure compliance with section 3.1.7(iii) above;

(v) promptly notify the Board of any violation (actual, alleged, anticipated or which it considers reasonably likely to occur) of applicable laws and regulations; and

(vi) prepare and facilitate the timely filing by the Company of all reports or notices necessary or advisable for Operations of the Company in accordance with applicable laws and regulations.

3.1.8 The Operator will provide such assistance as is reasonably requested by third parties, including any "Qualified Person" as defined under NI 43-101, retained by the Operator to prepare or review a Feasibility Report or other report in respect of the Mining Property.

3.1.9 If requested by the Board, the Operator will provide assistance to the Company in the conduct of litigation.

3.1.10 The Operator will have the right to carry out its responsibilities hereunder through agents, Affiliates, or independent contractors, and will procure the services of such experts and consultants as are necessary or advisable in relation to legal, accounting, engineering or other technical or professional services for the Company or Operations, provided that the retention of the services of any such third party must be pursuant to an adopted Program and Budget. Use of such third parties will not detract from the responsibilities of the Operator to the Company hereunder.

3.1.11 The Operator will use reasonable efforts to ensure that the Company has sufficient labor forces for the Operations and will furnish sufficient personnel of the Operator to assure performance of services hereunder, and will have the discretion, subject to applicable law, to determine the number of Company employees needed and their terms of employment, to establish salaries, wages, and benefits for such employees, and to control and direct such employees in the performance of their duties.

3.1.12 The Operator will review all invoices for approval and pay all approved invoices on behalf of the Company subject to the funding mechanisms set out herein and in the Joint Venture Agreement.

3.1.13 The Operator may enter into contracts on behalf of the Company, MPASA and MPCSCM in the Company's name (and be delegated all necessary authority to bind the Company in respect of such contracts) or in the name of the Operator, provided that such contracts must be entered into pursuant to the then current adopted Program and Budget. Any such contracts entered into in the name of the Operator shall provide for assignment to any subsequent Operator. All payment obligations under such contracts, irrespective of the contracting party, will be obligations for which the Company is responsible. Any cost overruns in excess of 10% of a Program and Budget line item or incurred in respect of an emergency expenditure on the Mining Property shall be dealt with in accordance with the Joint Venture Agreement.

3.1.14 All equipment, buildings, improvements, properties, contract rights, Licenses, and other items and things acquired by the Operator for the Company or its subsidiaries in accordance with adopted Programs and Budgets will be Assets of the Company acquired in the name of the Company.

3.1.15 The Operator will keep and maintain accounting and financial records in accordance with the Accounting Procedure, and will ensure appropriate separation of accounts unless otherwise agreed by the Parties.

3.1.16 The Operator will maintain complete and accurate records and accounts of all transactions undertaken by it in connection with its activities and responsibilities hereunder.

3.1.17 The Operator will develop and submit to the Board an annual Regulatory Compliance Plan for all Operations, which plan must be consistent with the requirements of applicable laws and regulations and contractual obligations, and will include in each proposed Program and Budget sufficient funding to implement such plan and to satisfy the financial assurances requirements of any applicable law or regulation or contractual obligation pertaining to Regulatory Compliance. The Operator will ensure that all Operations are conducted in accordance with the approved Regulatory Compliance Plan, as may from time to time be amended with the approval of the Board.

3.1.18 The Operator will, and will have authority to, undertake all other activities reasonably necessary to fulfil the foregoing.

3.2 Restrictions

In carrying on Operations, the Operator will not, without the prior approval of the Participants, permit the Company to engage in any Participant Reserved Matter (as defined in the Joint Venture Agreement).

3.3 Reports & Rights of Non-Operating Participants

The Operator shall:

3.3.1 keep the non-operating Participant(s) generally informed concerning all material operations and other material activities affecting the Mining Property;

3.3.2 within 60 days after the end of each calendar quarter, furnish to the non-operating Participant(s) a reasonably detailed written report of all operations conducted on or for the benefit of the Mining Property during the preceding quarter;

3.3.3 make available for inspection and copying by the non-operating Participant(s) at any time upon reasonable notice all factual and interpretive reports, studies and analyses concerning the Mining Property, and make all core and other samples available for inspection by the non-operating Participant(s);

3.3.4 on or before 120 days after the end of the Company's fiscal year and every fiscal year thereafter, submit to the non-operating Participant(s) a statement of Qualifying Expenditures incurred during the preceding fiscal year;

3.3.5 prepare any required regulatory filings in respect of the Mining Property on behalf of the non-operating Participant(s) in a timely manner and otherwise assist the non-operating Participant(s) in complying with their regulatory obligations in respect of the Mining Property in accordance with Good Industry Practice; and

3.3.6 prepare and provide ad hoc reports as and when necessary to keep the non-operating Participant(s) informed concerning:

(i) any material departure or anticipated departure from an adopted Program and Budget. Changes in excess of 10% of a Program and Budget shall be considered materials; and

(ii) any unexpected events anticipated or occurring which affect the Company, Assets, Mineral Interests or Operations, and any unexpected material changes anticipated or occurring in the Assets, Mineral Interests or Operations.

3.3.7 permit the non-operating Participant(s) and its or their duly authorized representatives, at their own risk and expense, access to the Mining Property at all reasonable times to observe operations, provided, however, that said representatives shall give reasonable notice to the Operator, and that said representatives shall not interfere with the operations being performed by the Operator, its affiliates or contractors. The non-operating Participant(s) will also be permitted, at reasonable times and at reasonable intervals, to inspect and copy the Operator's books, records and data pertaining to the performance of the services hereunder.

The Participants shall cooperate as needed to facilitate the Operator's performance of the above obligations.

3.4 Standard of Care

The Operator will conduct and manage all Operations safely, efficiently and diligently, in accordance with Good Industry Practice and in accordance with all laws and regulations applicable to the Company and in compliance with the terms and provisions of the Mineral Interests and any other Licenses, permits, contracts, and other agreements pertaining to the Assets and Operations.

3.5 Removal or Change of the Operator

3.5.1 The Operator will be deemed to have withdrawn from this Agreement upon the occurrence of any of the following events:

(i) the Operator commits an act of bankruptcy, is insolvent, has proposed a compromising arrangement to its creditors generally, has had any petition for a receiving order in bankruptcy filed against it, has made a voluntary assignment in bankruptcy, has taken any proceedings with respect to a compromise or arrangement, has taken any proceeding to have itself declared bankrupt or wound up, has taken any proceeding to have a receiver appointed for any part of its assets, has had any encumbrancer take possession of any of its property or has had any execution or distress become enforceable or become levied upon any of its property;

(ii) in the circumstances set forth in Clause 9.10 of the Joint Venture Agreement where the Operator fails to submit an annual Program and Budget for a minimum of $5,000,000 after the Sole Funding Period unless otherwise agreed to by the Parties;

(iii) upon notice to the Operator by the Board following a material breach by the Operator pursuant to Clause 12.1 that is not cured after receipt of written notice of such default in accordance with Clause 12.1; and

3.5.2 If the Operator is deemed to have resigned, a replacement Operator will be selected by the Board, or if necessary by the Participants (provided that a Participant who is the Operator or an Affiliate of the Operator will not vote for the resigning Operator or an Affiliate of the resigning Operator to be the successor Operator). The Operator, upon withdrawal, will deliver to its successor custody of all Assets, including but not limited to real and personal property, records, books, accounts, data, files, and contract rights. The Operator will use its best efforts to provide for continuity of Operations notwithstanding the transfer of managerial responsibility to its successor.

4 PROGRAM AND BUDGETS

4.1 Operations Pursuant to Adopted Programs and Budgets

Except as otherwise provided in Clause 4.7, the Operations shall be conducted, expenses shall be incurred and property shall be acquired only pursuant to Programs and Budgets adopted in accordance with Clause 4.4.

4.2 Presentation of Programs and Budgets

In each calendar year throughout the term of this Agreement, the Operator shall submit to the Participants a proposed Program and Budget on or before August 31, covering the period from January 1 up to and including December 31 of the following calendar year. Each adopted Program and Budget, regardless of length of time, shall be reviewed at least once a year at a regular meeting of the Participants.

4.3 Content of a Program and Budget

Each Program and Budget proposed by the Operator will be in substantially the same format and contain substantially the same or greater level of detail as the 2018 Program and Budget set forth in Exhibit A. The 2018 Program and Budget attached as Exhibit A is hereby approved by the Participants.

4.4 Review and approval of Proposed Programs and Budgets

During the Sole Funding Period, upon submission of a proposed Program and Budget to the Participants pursuant to Clause 4.2, the Participants shall approve or reject the proposed Program and Budget within 15 Business Days of submission. If a Participant rejects the proposed Program and Budget, on the basis that they reasonably believe that (i) a portion of the Program and Budget is not a "Qualifying Expenditure", (ii) that the proposed Management Fee does not represent reasonable reimbursement for indirect overhead costs incurred by the Operator, or (iii) that the proposed Program and Budget does not adequately provide for maintenance of existing licenses or otherwise fails to satisfy regulatory commitments in respect of the Mining Property, the Operator may consider and develop a revised Program and Budget and within 15 days shall submit a revised Program and Budget to the Participants for reconsideration.

During the Sole Funding Period, if the Participants do not unanimously approve a proposed Program and Budget within 45 days of receipt of the proposed Program and Budget, the matter shall be considered a Deadlock and shall be resolved in accordance with the Deadlock procedures set forth in the Joint Venture Agreement.

Nothing in this Clause 4.4 shall restrict the Operator from proceeding with Operations under a Program and Budget that has not been approved by the Participants as set forth above provided that the Participants acknowledge that, during the Sole Funding Period, except as provided in Clause 4.7, expenditures under such Operations will not constitute Qualifying Expenditures unless such Program and Budget is approved by the Participants or the Deadlock is resolved in favor of SpinCo in accordance with the procedures set forth in the Joint Venture Agreement.

After the Sole Funding Period, a proposed Program and Budget submitted to the Participants pursuant to Clause 4.2 may be adopted by the Operator.

4.5 Program and Budget Changes

The Operator shall immediately notify the Board of any material departure from an adopted Program and Budget. Changes or overruns to an adopted Program and Budget in excess of a minimum of 10% of a Program and Budget shall be considered material. During the Sole Funding Period, if the Operator materially exceeds an approved Program and Budget without the unanimous approval of the Participants, the Participants shall make a determination as to whether or not such changes or overruns constitute Qualifying Expenditures in accordance with Clause 4.4 and if no determination can be made, such matter will be considered a Deadlock and shall be resolved in accordance with the Deadlock procedures set forth in the Joint Venture Agreement. Any emergency expenditures pursuant to Clause 4.7 shall be excluded from the calculation of such change or overrun threshold.

4.6 Transactions with Affiliates

If the Operator engages Affiliates to provide services in respect of the Mining Property, it shall do so on terms no less favorable than would be the case with unrelated persons in arm's length transactions.

4.7 Emergency Expenditures

In case of emergency, the Operator may take any reasonable action it deems necessary to protect life, limb or property or to comply with law or government regulation. The Operator shall promptly notify the Participants of emergency expenditures after they are incurred. The Board shall ratify such emergency expenditures unless, acting reasonably and in good faith, it determines that the Operator could not have reasonably deemed such expenditures necessary to protect life, limb or property or to comply with law or government regulation. Upon ratification of such emergency expenditure by the Board, then, during the Sole Funding Period, such expenditures will be deemed Qualifying Expenditures and qualify towards SpinCo's earn-in; thereafter, the Participants shall reimburse the Operator for all such emergency expenditures in proportion to their respective Participating Interests at the time the emergency expenditures are incurred. In the event that the Board fails to ratify an emergency expenditure, the Participants shall resolve the matter using the Deadlock procedures set forth in the Joint Venture Agreement.

5 ACCOUNTS AND SETTLEMENTS

5.1 Cash Calls

During the Sole Funding Period on the basis of an approved Program and Budget, SpinCo shall fund all Qualifying Expenditures.

After the Sole Funding Period, on the basis of an adopted Program and Budget, the Operator shall submit to each Participant, prior to the last day of each month, a billing for estimated cash requirements for the next quarter. Each Participant shall advance to Peregrine its proportionate share of the estimated amount based on its Participating Interest within 10 Business Days. Time is of the essence in payment of such billings. The Operator shall at all times ensure that Peregrine maintains a cash balance approximately equal to the estimated disbursements for the next 30 days and may issue additional cash calls for additional funds in the event Peregrine's cash balance falls below such requirement.

5.2 Participation

After the Sole Funding Period, if any Participant fails to pay a cash call made in accordance therewith within 10 Business Days after its receipt of a billing therefor, the Operator may demand payment. If no payment is made within the period of 15 days following the receipt of the demand notice, that Participant shall be deemed to have forfeited its right to contribute to any further amounts under such Program and Budget, and accordingly, shall have its Participating Interest reduced in the manner contemplated in the Joint Venture Agreement (which shall be the sole remedy for such Participant's failure to fund such cash calls).

5.3 Accounts

The Operator will maintain at its offices complete financial books and records, on the accrual basis for financial reporting, in accordance with the Accounting Procedure, showing all costs, Qualifying Expenditures, receipts, and disbursements hereunder. These accounts will include general ledgers and supporting and subsidiary journals, invoices, checks and other customary documentation. The Operator will, if requested by the Board or a Participant, also maintain at such offices all other records necessary, convenient or incidental to the recording of the Company's affairs. The Operator will retain all accounts, documents and invoices pertaining to Qualifying Expenditures for a period of not less than 24 months after the end of the calendar year in which such charges and credits take place; provided, however, that upon request of a Participant, the Operator will retain such documents and invoices for such reasonable period as the Participant may request.

5.4 Audits

Upon request made by any Participant within 6 months of the end of the calendar year (or if the Board has adopted an accounting period other than the calendar year as herein provided within 12 months of the end of such period), the Operator shall order an audit of the accounting and financial records for such calendar year (or other accounting period). The cost of such audit shall be charged: (a) to the Operator if greater than or equal to a 10% discrepancy to an approved budget item shall be revealed by such audit, or (b) to requesting Party if less than a 10% discrepancy to an approved budget item is revealed by such audit. The cost of an audit charged to the Operator during the Sole Funding Period shall not count towards Required Annual Earn-in Expenditure (as defined in the Joint Venture Agreement), Minimum Five-Year Earn-in Expenditure Amount (as defined in the Joint Venture Agreement) or as Additional Earn-in Expenditures. All written exceptions to and claims upon the Operator for discrepancies disclosed by such audit shall be made not more than three months after receipt of the audit report. Failure to make any such exception or claim within the three-month period shall mean the audit is correct and binding upon the Participants. The audit shall be conducted by a firm of certified public accountants to be agreed to by the Participants and who is independent of each of the Participants.

6 EMPLOYEES

6.1 The following provisions shall apply should the Operator request the assistance of personnel of Sibanye Stillwater, Regulus or their respective Affiliates ("**Seconded Labor**") in carrying out the provisions of this Agreement:

6.1.1 The Participants and the Operator shall all agree to a combined schedule of rates (for the cost of use of any Seconded Labor) prior to the use of any Seconded Labor.

6.1.2 Each Participant shall prepare and furnish the Operator with a daily usage form that itemizes the use of the Seconded Labor.

6.1.3 Seconded Labor will be invoiced by each Participant based on the agreed upon rates and paid by the Operator on a monthly basis.

7 SITE PROCEDURES AND SECURITY

7.1 Site Procedures

The Operator shall prepare and submit to the Company a copy of the site procedures (the "**Site Procedures**") to be implemented during the Operations. The Site Procedures shall be agreed upon by the Parties. Save in instances which warrant subsequent modifications to the Site Procedures, the Operator shall ensure that all Site Procedures submitted to the Company shall be fully implemented and followed by the Operator's personnel, including any subcontractors or Affiliates.

7.2 Security

The Operator shall secure all its equipment, work area and personnel by, among other means, providing sufficient security personnel and establishing effective security procedures.

7.3 Accident/Incident Investigation

The Operator shall be responsible for the conduct of all of its personnel and representatives on site. The Operator shall immediately investigate any incident/accident involving any of its personnel and shall submit a written report within seven Business Days to the Company. A written report shall be submitted within 48 hours in respect of a serious accident or fatality.

7.4 Health and Safety

The Operator agrees to adhere to health and safety and environmental control standards in line with Good Industry Practice in relation to the Operations. The Operator shall ensure that all necessary steps are taken to procure that appropriate health and safety policies are in place, including, but not limited to:

7.4.1 providing an adequate supply of health and safety equipment;

7.4.2 staffing Exploration and Development activities with due regard for health and safety;

7.4.3 implementing codes of practice;

7.4.4 providing health and safety training;

7.4.5 assessing and responding to risk;

7.4.6 conducting occupational hygiene measurements; and

7.4.7 compiling and keeping records.

8 INSURANCE

The Operator will, at all times while conducting Operations hereunder, obtain and maintain at the Company's expense insurance coverage in accordance with Good Industry Practice that the Operator deems appropriate and desirable to protect itself in its capacity as Operator hereunder, the Company and the Company's officers, directors and employees against liability to third parties.

9 INDEMNIFICATION

9.1 Neither the Company and its Affiliates nor any Participant in its capacity as a Participant shall be liable for any injury, loss or damages of whatsoever nature and howsoever arising occasioned to the Operator, the Operator's employees, a third party or any of the aforementioned person's property, arising out of or in connection with such person's presence at the Mining Property, as a result of this Agreement or any activity under this Agreement. The Operator hereby indemnifies and holds harmless the Company and its Affiliates and each Participant in respect of all claims, damage, loss and/or expense which may be made against or which are suffered and/or incurred by the Company or its Affiliates and any Participant in its capacity as a participant, arising from and/or in any way connected with any action and/or omission of the Operator in relation to its appointment in terms of this Agreement, of any nature.

9.2 Neither the Company and its Affiliates nor any Participant in its capacity as a Participant shall be liable for any loss or damages which the Operator may sustain through, as a result of or consequent upon the acts of any Authority whereby the due exercise and enjoyment of its rights under this Agreement shall or may be affected, prejudiced or in any way curtailed and the Operator hereby indemnifies and holds the Company and its Affiliates and each Participant harmless in respect of any claim, demand, proceedings, action, costs (including attorneys' fees), charges, expenses, any loss, damage or injury of any nature as referred to in this Clause 9.2.

9.3 The Operator accepts all risks, losses or damages of any nature and howsoever arising (including penalties and fines) from the Operator's non-compliance with any relevant laws including legislation relating to health, safety and the environment whether to itself or to the Company or its Affiliates, or their respective employees or to a third party or to any property and the Operator hereby indemnifies and holds the Company and its Affiliates and any Participant harmless in respect of any claim, demand, proceedings, action, costs (including attorneys' fees), charges, expenses, any loss, damage or injury of any nature as referred to in this Clause 9.3.

9.4 In no circumstances whatsoever shall the Company or its Affiliates or any Participant be liable for any special, punitive, indirect, consequential and/or like damages (including loss of profits or loss of business) which may arise pursuant to this Agreement and/or are sustained by the Operator and/or the Operator's employees including as a result of its negligent act or omission or those of its employees, agents or contractors or other persons for whom in law it may be liable, a breach of the terms of this Agreement. The Operator hereby waives its right to claim the damages that are excluded in terms of this provision.

9.5 The reference to the Company in this Clause 9 includes the Company's employees, agents and other persons for whom in law the Company may be liable.

9.6 The reference to "Participant' in this Clause 9 is to a Participant in its capacity as a Participant only and includes the Participant's employees, agents and other persons for whom in law the Company may be liable.

9.7 The indemnities given by the Operator under this Clause 9 are a continuing obligation, separate and independent from the other obligations of the Operator and shall survive the termination of this Agreement and extend to include any claims by the Operator's personnel and contractors.

10 INTELLECTUAL PROPERTY RIGHTS

10.1 The Operator agrees to assign to the Company absolutely, for the full duration thereof and throughout the world, all of the Operator's rights, title and interest in the Operator's Created Intellectual Property on its creation. The Operator undertakes, on request, to do all things and sign all documents necessary to assign the aforementioned rights, title and interest to the Company in the Created Intellectual Property and necessary to record such assignment at any office responsible for the registration of intellectual property rights.

10.2 If the right, title and interest of any of the Created Intellectual Property is not capable of being assigned to the Company, the Operator undertakes, on request, to do all things and sign all documents necessary to ensure that the Company is granted an irrevocable license to use the Created Intellectual Property for the full duration of the right and throughout the world.

10.3 In the event of assignment, the Company grants the Operator a license to use the Created Intellectual Property for the performance of the Operations under the terms of this Agreement.

11 CONFIDENTIALITY

11.1 Confidential Information

The Parties agree to treat confidentially any Confidential Information. All Confidential Information disclosed by the Disclosing Party to the Receiving Party or which otherwise comes to the knowledge of the Receiving Party, is acknowledged by the Receiving Party: (i) to be proprietary to the Disclosing Party; and (ii) not to confer any rights of whatsoever nature in such Confidential Information on the Receiving Party.

11.2 Exclusions from Definition of Confidential Information

The term "Confidential Information" does not include information that:

11.2.1 was already in the possession of the Receiving Party on a non-confidential basis prior to being furnished to the Receiving Party by the Disclosing Party, its Affiliates or Representatives;

11.2.2 is or becomes generally available to the public other than by the negligence or default of the Receiving Party, its Affiliates or Representatives, or by the breach of this Agreement by any of them;

11.2.3 was developed by the Receiving Party, its Affiliates or Representatives independently of the Confidential Information received from the Disclosing Party;

11.2.4 the Disclosing Party confirms in writing is disclosed on a non-confidential basis; or

11.2.5 has lawfully become known by or come into the possession of the Receiving Party on a non-confidential basis from a source other than the Disclosing Party, its Affiliates or

Representatives having the legal right to disclose same, provided that such knowledge or possession is evidenced by the written records of the Receiving Party existing at the Effective Date.

Information will not be deemed to be excluded from the definition of Confidential Information merely because such information is related to more general information in the public domain or in the Receiving Party's possession. The burden shall at all times rest on the Receiving Party to establish that such information is excluded from the definition of Confidential Information. If the Receiving Party is uncertain as to whether any information is Confidential Information, the Receiving Party shall treat such information as Confidential Information until otherwise agreed by the Disclosing Party in writing.

11.3 Receiving Party Obligations

11.3.1 The Receiving Party agrees to protect the Confidential Information using the same standard of care as is used to safeguard its own information of a confidential nature and that the Confidential Information shall be stored and handled in such a way as to prevent any unauthorized disclosure thereof.

11.3.2 The Receiving Party irrevocably and unconditionally agrees and undertakes:

(i) to treat and safeguard and to cause its Affiliates and Representatives to treat and safeguard the Confidential Information as strictly private, secret and confidential;

(ii) not to use or permit the use of the Confidential Information, and to ensure that its Affiliates and Representatives do not use or permit the use of the Confidential Information, for any purpose not covered by this Agreement, including to obtain a direct or indirect commercial, trading, investment, financial or other advantage over the Disclosing Party or otherwise use the Confidential Information to the detriment of the Disclosing Party;

(iii) except as permitted by this Agreement, not to disclose or divulge, directly or indirectly, the Confidential Information in any manner to any third party for any reason or purpose whatsoever without the prior written consent of the Disclosing Party, which consent may be granted or withheld in the sole and absolute discretion of the Disclosing Party, except however that any of such information may be disclosed to the Receiving Party's Affiliates and Representatives who need to know such information and who agree to keep such information confidential and to be bound by this Agreement to the same extent as if they were parties hereto; and

(iv) to keep and cause its Affiliates and Representatives to keep all Confidential Information safe and secure and to take and cause its Affiliates and Representatives to take all such steps as may be reasonably necessary to protect Confidential Information against theft, damage, loss, unauthorized access (including access by electronic means) and to prevent Confidential Information from falling into the hands of unauthorized third parties. The Receiving Party understands that the Disclosing Party shall have the right in its sole and absolute discretion to determine what, if any, Confidential Information to make available to the Receiving Party and reserves the right to adopt additional specific procedures to protect the confidentiality of certain sensitive Confidential Information.

Notwithstanding the foregoing, any disclosure that may be required by law or the rules of any applicable stock exchange or regulatory body which the Parties, any Participant or their respective Affiliates are or may be required to make, shall be permitted under this agreement and the Parties hereto will use their reasonable commercial efforts to ensure that the other Party has had a chance to review and approve any such press release or public announcement, such approval not to be unreasonably withheld or delayed.

12 BREACH

12.1 Should either Party (the "**Defaulting Party**") commit a material breach of any of the provisions of this Agreement, then the other Party ("**Non-Defaulting Party**") shall, if it wishes to enforce its rights hereunder, give the Defaulting Party 14 Business Days' written notice of breach ("**Notice of Breach**"). The Notice of Breach will describe the breach in reasonable detail and state the date by which the breach must be cured, which date will be at least 30 Business Days after receipt of the Notice of Breach, except in the case of a failure to make payments or to advance funds, in which case the date will be 10 Business Days after receipt of the Notice of Breach.

12.2 If, within the specified period, the Defaulting Party does not cure the breach or begin to cure the breach as provided above, the Non-Defaulting Party at the expiration of the applicable period, may pursue all available remedies, including, but not limited to, termination of this Agreement in accordance with Clause 13.

13 TERMINATION

13.1 This Agreement shall be terminated in the following circumstances:

13.1.1 mutual agreement by the Parties;

13.1.2 failure by a Defaulting Party to cure a breach pursuant to Clause 12.2;

13.1.3 upon deemed withdrawal by the Operator pursuant to Clause 3.5;

13.1.4 upon an arbitrator's determination that the Exploration and Development activities should be permanently discontinued pursuant to Clause 14.5.5;

13.1.5 upon termination of the Joint Venture in accordance with the terms of the Joint Venture Agreement prior to SpinCo acquiring the SpinCo Interest;

13.1.6 upon termination of the Joint Venture in accordance with the terms of the Joint Venture Agreement after SpinCo has acquired the SpinCo Interest, following a six month winddown period; or

13.1.7 commission by the Operator of a Corrupt Act.

14 GENERAL PROVISIONS

14.1 Notice

14.1.1 All notices, payments and other required communications ("**Notices**") to the Parties shall be in writing and shall be addressed to their respective addresses set forth below:

to the Operator at:

Suite 2300, 1177 West Hastings Street
Vancouver, BC, Canada, V6E 2K3
Attention: John Black
Email: [redacted]

with a copy to:
Dentons Canada LLP
1500, 850 – 2nd Street SW
Calgary, AB, Canada T2P 0R8
Attention: Grant MacKenzie
E-mail: [redacted]

to the Company at:

c/o Sibanye Gold Limited
Constantia Office Park
Bridgeview House, Building 11
Corner 14th Avenue and Hendrik Potgieter Street
Gauteng, South Africa
Attention: Richard Stewart
Email: [redacted]

with copies to:
Linklaters LLP
1345 Avenue of the Americas
New York, NY 10105
Attention: Peter Cohen-Millstein
E-mail: [redacted]

and

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9 Canada
Attention: Ivan T. Grbešić
E-mail: [redacted]

14.1.2 All Notices shall be given: (i) by personal delivery to the applicable Party; (ii) by electronic communication; or (iii) by registered or certified mail return receipt requested.

14.1.3 All Notices shall be effective and shall be deemed delivered: (i) if by personal delivery, on the date of delivery if delivered during normal business hours, and if not delivered during normal business hours, on the next Business Day following delivery; (ii) if by electronic communication, on the next Business Day following receipt of the electronic communication; and (iii) if solely by mail, on the next Business Day after actual receipt.

14.1.4 A Party hereto may change its address by Notice to the other Party.

14.2 Survival of Terms and Conditions

The following provisions shall survive the termination of this Agreement: Clauses 11, 12, 13 and 14.

14.3 Waiver

The failure of a Party to insist on the strict performance of any provision of this Agreement or to exercise any right, power or remedy upon a breach hereof shall not constitute a waiver of any provision of this Agreement or limit the right of the Party thereafter to enforce any provision or exercise any right.

14.4 Amendment

Any amendment or modification of this Agreement shall only be valid and binding on the Parties if made in writing and duly executed by all Parties.

14.5 Force Majeure

14.5.1 Notwithstanding anything herein contained to the contrary, the obligations of a Party shall be suspended to the extent and for the period that performance is prevented or delayed a Force Majeure Event. The Affected Party shall promptly give notice to the other Party of the suspension of performance stating therein the nature of the suspension, the reasons therefor and the expected duration thereof. The Affected Party shall resume performance as soon as reasonably possible. During the period of suspension, the obligations of the Parties to advance funds pursuant to this Agreement shall be reduced to levels consistent with Operations and time frames set forth in this Agreement shall be deemed to be amended accordingly.

14.5.2 Notwithstanding Clause 14.5.1, the Party invoking a Force Majeure Event shall use its best efforts to terminate the circumstances giving rise to the Force Majeure Event and upon termination of such circumstances shall provide the other Party with timely written notice of such termination.

14.5.3 If a Force Majeure Event occurs and continues for a period of six consecutive months following the Affected Party's notice of suspension of performance, then the Parties shall use their best efforts to reach equitable new arrangements within the next 20 Business Days.

14.5.4 Should the Parties fail to agree on such new arrangements within the next 20 Business Days, either Party may refer the dispute for binding arbitration in accordance with Clause 13.6.

14.5.5 In making a determination in respect of a dispute under this Clause 13.5, an arbitrator may resolve that:

(i) The Parties shall enter into such new arrangements in respect of the Exploration and Development activities at the Mining Property as the arbitrator may determine are equitable and consistent with the principles of this Agreement; or

(ii) The Exploration and Development activities shall be discontinued or curtailed, either temporarily or permanently in accordance with the provisions of this Agreement.

Should an arbitrator determine that the Exploration and Development activities should be permanently discontinued, this Agreement shall terminate with effect from the date of the arbitrator's final decision.

14.6 Arbitration

14.6.1 The Parties agree that all disputes arising in connection with this Agreement shall be finally settled by binding arbitration in accordance with the provisions of this Clause 14.6. The arbitration may be initiated by a Party by giving written notice to the other Party, specifying the matter to be arbitrated, the details of its position and requesting an arbitration thereof. At the time of service of the notice, the Party requesting the arbitration shall also deliver the name and qualifications of its choice of an arbitrator. The responding Party has the right, exercisable within 10 Business Days, to name a second arbitrator or to agree to have the matter heard by the arbitrator named by the initiating Party. The two arbitrators so named shall, within 10 Business Days, name the third arbitrator who shall be the chairman. The two arbitrators selected by the Parties will be experienced and knowledgeable in the mining industry. The arbitration shall be conducted in accordance with the rules of arbitration of the American Arbitration Association (in this Clause 14.6, (the "**Rules**") in effect at the time of the arbitration, except as they may be modified herein or by mutual agreement of the Parties. The arbitrators will fix a time and place in New York, New York for the purpose of hearing the evidence and representations of the Parties and they will preside over the arbitration and determine all questions of procedure not provided for under the Rules or this Clause 14.6. The arbitration shall be conducted in the English language. No person will be appointed as an arbitrator hereunder unless such person agrees in writing to act.

14.6.2 After hearing any evidence and representations that the Parties may submit, the arbitrators will make an award, reduce the same to a writing stating the reasons therefor and deliver one copy thereof to each of the Parties. The decision of the arbitrators will be made within 45 Business Days after the appointment of the third arbitrator, subject to any reasonable delay due to unforeseen circumstances. The award shall be final and binding on the Parties.

14.6.3 The expenses of arbitration shall be borne by the losing Party or as otherwise provided by the award.

14.6.4 Judgment upon the award may be entered by any court having jurisdiction thereof or having jurisdiction over the relevant Party or its assets. Each of the Parties hereto knowingly, voluntarily and irrevocably submits to the jurisdiction of each such court in any such action or proceeding and waives any objection it may now or hereafter have to venue or to convenience of forum. Each Party further agrees that service of any process, summons, notice or document by registered or certified mail or internationally recognized courier service to its address in accordance with Clause 14.1, or by any means reasonably calculated to effect notice, will be effective service of process for any action or proceeding brought against the other Party in any such court. Nothing contained in this Clause 14.6 is intended to affect the rights of a Party to enforce an arbitral award by recourse to a court of competent jurisdiction.

14.7 Governing Law

This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, without regard for any conflict of laws or choice of law principles that would permit or require the application of the laws of any other jurisdiction.

14.8 Waiver of Jury Trial

EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT: (I) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LEGAL ACTION, SEEK TO ENFORCE THE FOREGOING WAIVER; (II) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER; (III) IT MAKES SUCH WAIVER VOLUNTARILY; AND (IV) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS CLAUSE 14.8.

14.9 No Third Party Beneficiary Rights

This Agreement shall be construed to benefit the Parties and their respective successors and assigns only, and shall not be construed to create third party beneficiary rights in any other person.

14.10 Severability

Any Article, Clause or other subdivision of this Agreement and any other provision of this Agreement which is, or becomes, illegal, invalid or unenforceable shall be severed from this Agreement and be ineffective to the extent of such illegality, invalidity or unenforceability and shall not affect or impair the spirit or intent of the remaining provisions hereof.

14.11 Further Assurances

Each Party shall, from time to time, take such actions and execute such additional instruments as may be reasonably necessary or convenient to implement and carry out the intent and purpose of this Agreement.

14.12 Assignment

The Operator will not assign its interest in this Agreement without the consent of the Company, which consent may be withheld in the absolute discretion of the Company.

14.13 Entire Agreement; Successors and Assigns

This Agreement contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings between the Parties relating to the subject matter hereof. This Agreement shall be binding upon and enure to the benefit of the respective successors and permitted assigns of the Parties.

14.14 Interpretation

The Clause and other headings contained in this Agreement or in the Exhibits are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

14.15 Counterparts

This Agreement may be executed in any number of counterparts and all such counterparts, taken together, shall be deemed to constitute one and the same instrument. This Agreement may be signed and accepted by facsimile or electronic PDF.

EXHIBIT A

2018 Program and Budget

EXHIBIT B

Mining Property

Exploration Permits: Files Nº 414-1458-R-2005, 414-1487-R-2005, 1124-548-M-08 and 1124 444 M 2008.

Mines: "Loba Mine" (File Nº 1598-C-95); "Leona Mine" (File Nº 1597-C-95); "Santa Rita Mine" (File Nº 1042-F28-C-96.); Pampa Mine (File Nº 1118-F28-R-96)¸ RCA II Mine (File Nº 338.641-I-92)¸ RCA VII Mine (File Nº 338.646-I-92), Mina Romina I (File Nº 1124 168 M 2013); Romina I Mine (File Nº 1124 169 M 2013) and Discovery Report of León Norte (File Nº 1124 265- M- 2016).

Easements: Camp Easement File Nº 0116-F28-C-96; Rights of Way, Files Nº 98-B-96, 1124.75-M-2010, 1124-76-M-2010, 1124-77-M-2010, 1124-78-M-2010; 1124.161-M-2010 and Occupation Easements, Files Nº 1124.106-M-2010 and 1124.107-M-2010.

Altar Project Environmental Impact Report: File Nº 425-132-C-2003

October 25, 2018

ALDEBARAN RESOURCES INC.
Dentons Canada LLP, 15th Floor,
Bankers Court, 850 - 2nd Street SW Calgary,
AB T2P 0R8, Canada Province of Alberta, Canada
Attn: Mark Wayne - Chief Financial Officer

Ref.: **OA Offer No. 1/2018**

Dear Sirs,

The undersigned hereby irrevocably accepts your OA Offer No. 1/2018 dated October 25, 2018.

Yours sincerely,

PEREGRINE METALS LTD.

(signed) "*Richard Stewart*"

Name: Richard Stewart
Title: Director

(signed) "*Charl Keyter*"

Name: Charl Keyter
Title: Director