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MINERAL CLAIM PURCHASE AGREEMENT

-BETWEEN-

LANCASTER RESOURCES LTD

-AND-

SUNBIRD RESOURCES PTY LTD.

April 22, 2025

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MINERAL CLAIM PURCHASE AGREEMENT

THIS MINERAL CLAIM PURCHASE AGREEMENT (this "**Agreement**") dated April 22, 2025 (the "**Effective Date**").

BETWEEN:

SUNBIRD RESOURCES PTY LTD., a corporation existing under the laws of Australia, with Australian Business Number 37 681 230 571 and an address at 4b Gloucester Street, Swanbourne, WA, 6010, Australia

(the "**Seller**")

AND:

ROSS BROWN, an individual residing at 4b Gloucester Street, Swanbourne, WA, 6010, Australia, who is a Director of Sunbird Resources Pty Ltd and the Sole Director of Riviera Minerals Pty Ltd

("**RB**")

AND:

ROBERT HEASLOP, an individual residing at 362 Cavendish Road, Coorparoo, QLD, 4151, Australia, who is a Director of Sunbird Resources Pty Ltd and the Sole Director of MRG Resources Pty Ltd that wholly owns the Mac Minerals Pty Ltd subsidiary company

("**RH**")

AND: **MAC MINERALS PTY LTD.**, a corporation existing under the laws of Australia, with Australian Business Number 84 664 335 424 and an address at 362 Cavendish Road, Coorparoo, QLD, 4151, Australia

(the "Owner")

AND:

LANCASTER RESOURCES INC., a corporation existing under the laws of the Province of British Columbia with an address at 1771 Robson Street, #1452, Vancouver, BC, V6G 3B7, Canada
(the "**Purchaser**")

WHEREAS:

A. The Owner is a wholly owned subsidiary of MRG Resources Pty Ltd., whose sole director is RH. The Owner is the beneficial owner of 100% of the right, title and interest in the mineral claims of the Lake Cargelligo Project, free and clear of all liens, charges, encumbrances, claims and royalties, rights or interest of any other person except as set out herein, located in New South Wales, Australia, (the "**Property**"), as the foregoing is more particularly described, including as to ownership, in Schedule "A", attached to this Agreement and forming part of this Agreement.

B. The Seller holds an exclusive option with the Owner to commercialize and acquire 100% of the Property.

C. The Seller is equally owned by RB and RH. RB and RH are both directors of the Seller.

D. The Seller wishes to sell, and the Owner wishes to transfer, and the Purchaser wishes to acquire, all of the Seller and the Owners right, title, and interest in and to the Property, subject to a Net Smelter Royalty as defined below, on the terms and conditions set forth in this Agreement.

THEREFORE, in consideration of the covenants and agreements herein contained and other good and valuable consideration, the parties agree as follows:

Article 1
Interpretation

1.1 Defined Terms

As used in this Agreement, the following terms have the following meanings:

"**Agreement**" means this mineral claim purchase agreement, including the schedules attached hereto.

“**Closing**” has the meaning ascribed thereto in Section 3.6 herein.

“**Closing Date**” has the meaning ascribed thereto in Section 3.6 herein.

"**Consideration Shares**" has the meaning ascribed thereto in Section 3.2 herein.

“**Contemplated Transactions**” has the meaning ascribed thereto in Section 4.3 herein.

“**DRS Statements**” means written statements evidencing that the Shares are issued and recorded electronically in the direct registration system maintained by the Purchaser’s transfer agent.

“**Effective Date**” means the date of this Agreement.

“**Election to Proceed**” has the meaning ascribed thereto in Section 3.6(d) herein.

“**Environmental Laws**” has the meaning ascribed thereto in Section 4.5 herein.

"**Exchange**" means the Canadian Securities Exchange, on which the Purchaser’s common shares are listed.

“**GST**” means Australian Goods and Services Tax of the GST Act 1999 (Cth). The GST rate is 10%.

“**Hazardous Materials**” has the meaning ascribed thereto in Section 4.5 herein.

“**JORC**” means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

“Material Adverse Effect" has the meaning ascribed thereto in Section 7.6 herein.

“Minimum Work Program” has the meaning ascribed thereto in Section 3.6 herein.

“**NI 43-101**” means National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

"**NSR Agreement**" means the agreement whereby the Purchaser grants the Seller a net smelter returns royalty from the sale of minerals produced from the Property, with the Seller entitled to a two percent (2%) royalty, determined as the gross revenue minus allowable deductions, and with buyout provisions as outlined in Schedule "C" - Net Smelter Returns Royalty Agreement, attached hereto.

"Property" has the meaning ascribed in Recital A and in Schedule "A" herein, and includes any application for and any extension, renewal, conversion or substitution of any claim listed in Schedule "A".

"Purchase Price" has the meaning ascribed in Section 3.2 herein.

"Second Work Program" has the meaning ascribed thereto in Section 3.7 herein.

"**Shares**" means the common shares with no par value in the capital of the Purchaser, which are listed for trading on the Exchange.

"**Release**" has the meaning ascribed thereto in Section 4.5 herein.

"**Trading Restrictions**" has the meaning ascribed in Section 3.4 herein.

"**VWAP**" means the volume-weighted average price at which the Shares have traded on the Exchange during the ten consecutive trading days, excluding any non-trading days intervening in the course of the ten consecutive trading days, prior to the date on which Shares are issued; provided that the volume weighted average price shall be determined by dividing the aggregate sale price of all Shares sold on the said exchange or market, as the case may be, during such ten consecutive trading days by the total number of Shares sold during such ten consecutive trading days; and provided further that the price per Share will be determined by a chartered accountant selected by the Purchaser.

1.2 In this Agreement, unless otherwise specified, all references to dollars or to $ are references to Canadian dollars.

The following schedules are attached to this Agreement and form an integral part of this Agreement for all purposes of it:

SCHEDULES	**DESCRIPTION**
Schedule "A"	Claims that form the Property
Schedule "B"	Bill of Sale and Assignment
Schedule "C"	NSR Agreement

Article 2
Non-Solicitation and Exclusivity

2.1 Non-Solicitation. From the Effective Date until the earlier of (i) the Closing Date or (ii) the termination of this Agreement in accordance with Article 9, the Seller shall not, and shall cause its directors, officers, employees, agents, advisors, affiliates, and representatives not to, directly or indirectly:

(a) solicit, initiate, encourage, or facilitate inquiries, proposals, or offers from, or discussions or negotiations with, any third party (other than the Purchaser and its representatives) regarding any sale, disposition, joint venture, option, farm-in, royalty, streaming agreement, or other transaction involving, directly or indirectly, all or any portion of the Property, or any interest therein;

(b) provide any non-public information regarding the Property or this transaction to any third party (other than the Purchaser and its representatives), or otherwise assist or participate in the making or negotiation of any proposal or offer relating to a transaction of the nature described in subsection (a) above; or

(c) enter into, accept, or approve any agreement, term sheet, letter of intent, memorandum of understanding or similar document or understanding, whether binding or non-binding, relating to any transaction of the type described in subsection (a) above.

2.2 Notification of Third-Party Interest. The Seller shall immediately notify the Purchaser in writing of any inquiry, proposal, offer, or communication it or any of its representatives receives from any third party regarding a potential transaction relating to the Property, and shall provide reasonable details thereof, including the identity of the third party and the material terms of such inquiry or proposal, along with copies of any written documents received.

2.3 Remedies. The Seller acknowledges that a breach of this Article 2 would cause irreparable harm to the Purchaser for which monetary damages may be an inadequate remedy. Accordingly, in the event of any actual or threatened breach of this Article 2, the Purchaser shall be entitled to seek equitable relief, including an injunction or specific performance, in addition to any other remedies available at law or in equity.

Article 3
Purchase Price and Closing

3.1 Property. Subject to the terms and conditions set forth in this Agreement, the Seller hereby agrees to sell, assign, transfer and deliver, and Purchaser hereby agrees to purchase and accept from the Seller, at and as of the Closing Date (as such term is defined herein), 100% of the undivided right, title and interest in and to the Property.

3.2 Purchase Price. The Purchaser agrees to purchase the Property for a total purchase price of $210,000 plus GST, payable in 10,000,000 Shares at a deemed value of $0.02 per Share (the "**Consideration Shares**"), and $10,000 cash and a Net Smelter Royalty of 2% as defined below (the "**Purchase Price**").

3.3 Contingent Payments. In addition to the Purchase Price, the Purchaser shall make the following Contingent Payments following the Closing Date:

(a) upon completion of the first geophysics campaign post Closing, $30,000 plus GST;

(b) upon commencement of the first drilling campaign at the Property post Closing, $50,000 plus GST;

(c) upon the Purchaser undertaking a capital raise of $1,000,000 or greater post Closing, $50,000 plus GST;

(d) upon the Purchaser receiving conditional approval to list its shares on the Australian Security Exchange, $50,000 plus GST;

(e) upon the completion of an NI 43-101 compliant resource estimate, or JORC equivalent, of greater than 1,000,000 ounces of gold $500,000 plus GST;

(f) upon completion of a NI 43-101 compliant preliminary economic assessment (PEA), or JORC equivalent, prepared to a commercially reasonable standard and based on a mineral resource estimate of not less than 1,000,000 ounces of gold, $1,000,000 plus GST;

(g) upon completion of a NI 43-101 compliant prefeasibility study (PFS), or JORC equivalent, prepared to a commercially reasonable standard and based on a mineral resource estimate of not less than 1,000,000 ounces of gold, $2,000,000 plus GST; and

at the election of the Seller, up to 10% by value of each Contingent Payment listed in Clause 3.3, plus GST, may be made in the form of cash, and at the election of the Purchaser, some or all of the remaining 90% by value of each Contingent Payment listed in Clause 3.3, or 100% by value of each Contingent Payment listed in Clause 3.3 if the Seller so elects, may be made in the form of the issuance of Shares, at a deemed price per Share which does not exceed the applicable VWAP.

3.4 On the Closing Date, the Purchaser shall issue the Consideration Shares, as follows:

(a) 5,000,000 Shares to RB, or his affiliated nominee; and

(b) 5,000,000 Shares to RH, or his affiliated nominee.

All Consideration Shares shall be delivered as DRS Statements and will bear legends indicating that they are subject to trading restrictions and will be released from such restrictions over a 24-month period as follows:

Release Date	**% of the Consideration Shares**
4 Months and 1 day following the Closing Date	10%
6 Months following the Closing Date	10%
9 Months following the Closing Date	12%
12 Months following the Closing Date	12%
15 Months following the Closing Date	12%
18 Months following the Closing Date	12%
21 Months following the Closing Date	15%
24 Months following the Closing Date	the balance of the Consideration Shares

(the “**Trading Restrictions**”).

(d) As additional consideration for the Property, the Purchaser agrees to grant to the Seller a production royalty on all production from the Claims, as more particularly described in the NSR Agreement, attached hereto as Schedule "C".

3.5 Each payment shall be made by wire transfer to the account designated by the Seller.

3.6 The Closing.

(a) The closing of the transactions contemplated by this Agreement (the "**Closing**") shall take place by the exchange of Closing documents by the Seller and the Purchaser on a date designated by the Purchaser in writing to the other parties (the "**Closing Date**"), provided that such date is no later than thirty (30) days following the Effective Date. The Purchaser shall provide the Seller with not less than five (5) business days prior written notice of the Closing Date. The Seller agrees to cooperate in good faith to facilitate the Closing on the date selected by the Purchaser.

(b) Subject to the terms and conditions set forth in this Agreement, the parties agree to consummate, on the Closing Date, the transactions described below.

(i) the Owner shall execute and deliver to the Purchaser a Bill of Sale and Assignment substantially in the form attached as Schedule "B";

(ii) the Owner shall take steps to complete the transfer of the Claims to the Purchaser or the Purchaser's assignee, in accordance with the *Mining Act 1992 (NSW), s 200 (2A);*

(iii) the Seller shall deliver to the Purchaser wire instructions for its bank and such other documentation as the Purchaser may reasonably request to evidence the assignment and transfer of the Property in accordance with applicable law and the terms of this Agreement;

(iv) the Purchaser shall initiate a wire of $10,000 plus GST to the Seller;

(v) the Purchaser shall deliver the DRS Statements for the Consideration Shares by email to RH and RB;

(vi) the Purchaser shall execute and deliver to the Seller the NSR Agreement in the form attached as Schedule "C".

(c) The Closing is subject to the Purchaser undertaking a fund-raising event of $400,000, or more, between the Effective Date and the Closing, or within thirty days of the Closing if approved by the Seller, to fund the Minimum Work Program.

(d) The Minimum Work Program (the "**Minimum Work Program"**), including its budget and anticipated order of specific task completion, will be agreed by the Purchaser and Seller between the Effective Date and the Closing and is to be undertaken within the twelve months immediately following the Closing, unless its completion is impeded by land access issues or inclement weather, but not including the Purchaser's inability to fund the Minimum Work Program, and is to include at the minimum:

(i) land access negotiations with relevant registered landholders of exploration areas of interest;
(ii) initial geological reconnaissance including rock chip and/or soil sampling;
(iii) reprocessing of publicly available geophysical data by a reputable geophysical consultancy;
(iv) completion of one geophysical survey at the Property that may be airborne magnetic-radiometric surveying or ground-based induced polarization surveying, or another geophysical technique as agreed by the Purchaser and the Seller;
(v) any other program as agreed by the Purchaser and the Seller.

At the completion of the Minimum Work Program, the Seller may deliver a written demand to the Purchaser requesting confirmation of its intention to proceed to the Second Work Program Commitment (the "**Election to Proceed**"). The Purchaser shall have thirty (30) days from the date of receipt of such demand to deliver the Election to Proceed. If the Purchaser does not deliver the Election to Proceed within that thirty (30) day period, the Seller shall have an exclusive period of thirty (30) days thereafter to reacquire 100% of the Seller's right, title, and interest in and to the Property for $10,000.

Should the Purchaser not satisfy the Minimum Work Program during the twelve-month term for any reason other than land access or inclement weather, the Seller may deliver written notice of default to the Purchaser. If such default is not cured within six (6) months from the date of receipt of the notice, and so long as the default is not due to the Seller or the actions of RH or RB, the Seller may elect to reacquire 100% of the Seller's right, title, and interest in and to the Property for $10,000.

3.7 Second Work Program. Subject to the Purchaser's completion of the Minimum Work Program and its Election to Proceed, the Purchaser commits to undertaking in-ground expenditure at the Property during the thirty-six months immediately following the Election to Proceed of not less than $3,000,000, with the Purchaser having the sole right to determine exploration program requirements during this period (the "**Second Work Program**").

Should the Purchaser not satisfy the Second Work Program commitment during the thirty-six (36) month term, the Seller may deliver written notice of default to the Purchaser. If such default is not cured within six (6) months from the date of receipt of the notice—either by paying to the Seller an amount equal to 100% of the expenditure shortfall or otherwise satisfying the Second Work Program Commitment—and so long as the default is not due to the Seller or the actions of RH or RB, the Seller may elect to reacquire 100% of the Seller's right, title, and interest in and to the Property for $50,000.

3.8 Expenses. Except as otherwise expressly provided in this Agreement, each party shall bear its own costs and expenses incurred in connection with this Agreement and the transactions contemplated herein, including but not limited to legal fees, accounting fees, and any broker or finder fees.

3.9 Assignment. If at any time after the Closing the Purchaser elects to pass to another unaffiliated party any or all of its interest in the Property, whether by assignment, sale, transfer or otherwise (the **Offer**), the Purchaser must provide to the Seller:

(a) written notice including all the details of the offer that the Purchaser intends to accept, including the identity of the proposed acquirer (if then known) and a copy of all the Offer documents, to enable an assessment by the Seller of the acquirer's financial standing including, where applicable, details of the financial standing of the acquirer's Ultimate Holding Company and any proposed parent company guarantees, and provide the Seller an exclusive thirty day period to match the Offer.

OR

(b) should the Seller decide to decline its right to match the Offer within the thirty day period and confirm this in writing to the Purchaser, a deed, in terms satisfactory to the Seller, in which the acquiring third party who is to receive the interest agrees to be bound by all of the provisions of this Agreement in relation to the interest that the party intends to receive, including payment of any Contingency Payments not yet triggered and paid at the time of Assignment, the Minimum Work Program, the Second Work Program and the NSR Agreement.

Article 4
Representations and Warranties of the Seller, RB and RH and the Owner

To induce the Purchaser to enter into this Agreement, each of the Seller, the Owner, RB, and RH hereby jointly and severally represents and warrants to the Purchaser as indicated below.

4.1 Organization and Good Standing. Each of the Seller and the Owner is a corporation duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation. The Seller has the requisite power to own the Property, as applicable.

4.2 Authority; Binding Obligation. Each of the Seller and the Owner has the requisite corporate power and authority to execute and deliver this Agreement and perform its obligations hereunder. The Seller's execution and delivery of this Agreement, and performance of its covenants and agreements hereunder, have been duly authorized by all necessary corporate action of the Seller. This Agreement has been duly executed and delivered by the Seller and constitutes a valid and binding obligation of the Seller and is enforceable against the Seller in accordance with its terms.

4.3 No Conflict.

(a) Neither the execution and delivery of this Agreement, nor the consummation or performance of any of the transactions contemplated by this Agreement (such transactions are collectively referred to hereinafter as the "**Contemplated Transactions**") will directly or indirectly (with or without notice or lapse of time): (i) contravene, conflict with or result in a violation of or default under any provision of the Seller's or the Owner's articles or certificate of incorporation or bylaws, or any resolution adopted by the board of directors or shareholders of the Seller or the Owner; (ii) contravene, conflict with or result in a violation of or default under, or give any governmental body or the Exchange or other person the right to challenge any of the Contemplated Transactions or exercise any remedy or obtain any relief under, any federal, state or local law, regulation, ordinance or administrative order or any judgment or decree to which the Seller and/or the Property are subject; (iii) contravene, conflict with or result in a violation or breach of or default under any provision of, or give any person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate or modify any contract or other arrangement to which the Seller is a party or by which the Seller or the Owner is bound; or (iv) result in the creation of any lien of any kind or nature upon any of the Property. The Seller is not required to give any notice to or obtain any consent from any person in order for the Seller to consummate the Contemplated Transactions. The Owner is not required to give any notice to or obtain any consent from any person in order for the Owner to consummate the Contemplated Transactions.

4.4 Title, Sufficiency and Condition of the Property

(a) Immediately prior to Closing, the Owner will have good and marketable title to the Property, free and clear of any security interest, mortgage, pledge, lien, charge, encumbrance, right of way, easement or adverse claim of any kind or nature.

4.5 Environmental Matters.

(a) As used in this Section 4.5, the following terms shall have the following meanings:

(i) "**Hazardous Materials**" means any dangerous, toxic or hazardous pollutant, contaminant, chemical, waste, material or substance regulated by any federal, provincial or local law, statute, code, ordinance, regulation, rule or other requirement relating to such substance. For purposes of this representation in Section 4.5 only and for no other purpose in this document, the definition of Hazardous Materials shall only apply to laws, statutes, codes, ordinances, regulations, policies, rules or other requirements in effect as of the date of the Closing.

(ii) "**Environmental Laws**" means all applicable federal, provincial and local laws, rules, regulations, codes, ordinances, orders, decrees, directives, claims, licenses and judgments relating to pollution, contamination or protection of the environment (including, without limitation, all applicable federal, state and local laws, rules, regulations, codes, ordinances, orders, decrees, directives, claims, licenses and judgments relating to Hazardous Materials). For purposes of this representation in Section 4.5 only and for no other purpose in this document, the definition of Environmental Laws shall only apply to laws, statutes, codes, ordinances, regulations, rules or other requirements in effect as of the date of the Closing.

(iii) "**Release**" shall mean the spilling, leaking, disposing (including without limitation the abandonment or discarding of barrels, containers, and other closed receptacles containing any Hazardous Material), discharging, emitting, depositing, ejecting, leaching, escaping, dumping, pumping, or any other release, however defined, whether intentional or unintentional, of any Hazardous Material. Release shall not include disposal of Hazardous Materials in compliance with Environmental Laws.

(b) To the best of the knowledge of each of the Seller and the Owner , the Property is in material compliance with all applicable Environmental Laws.

(c) To the best of the knowledge of each of the Seller and the Owner, (i) except in material compliance with all applicable laws, no materials have been generated, treated, contained, handled, located, used, manufactured, processed, buried, incinerated, deposited, stored, or released by the Seller on, under or about any part of the Property or at any other location which, at the time such materials were in the possession or control of the Seller (as the case may be) would have met the definition of Hazardous Materials, (ii) the Property and any improvements thereon, contain no asbestos, urea formaldehyde, or polychlorinated biphenyls (PCBs), and (iii) no aboveground or underground storage tanks which now or formerly held any materials which, at the time they were in the possession or control of the Seller would have met the definition of Hazardous Materials are located on, under or about the Property, or have been located on, under or about the Property and then subsequently been removed or filled.

(d) The Owner has not received written notice, and has no knowledge of any threatened notice, alleging in any manner that the Owner might be potentially responsible for any Release of Hazardous Materials which is alleged to have occurred during the ownership or control of the Property (or any portion thereof) by the Seller respectively, or any costs arising under Environmental Laws with respect thereto.

(e) To the best of the Seller's knowledge, no portion of the Property is or has been listed on any federal or provincial inventory or registry of contaminated sites maintained by any governmental authority in Australia.

(f) The Seller has disclosed and delivered to the Purchaser all environmental reports which the Seller has obtained or ordered with respect to the Property.

(g) To the best of the knowledge of each of the Owner and the Seller, no part of the Property has been used as a landfill, dump or other disposal, storage, transfer, handling or treatment area for materials which, at the time they were in the possession or control of the Seller would have met the definition of Hazardous Materials, or a facility for selling, dispensing, storing, transferring, disposing or handling petroleum and/or petroleum products, except in connection with the storage, handling and use of Hazardous Materials and petroleum products in the routine and ordinary conduct of operations on the Property and in compliance with applicable Environmental Laws.

(h) To the best of the knowledge of each of the Owner and the Seller, no lien has been attached or filed against any of the Property in favor of any governmental or private entity for (i) any liability or imposition of costs under or violation of any applicable Environmental Law; or (ii) any Release of Hazardous Materials.

4.6 Restrictive Covenants. Neither the Seller nor the Owner is a party to any written contract, license agreement or other restriction which limits the scope of the sale or use of the Property, other than as described herein..

4.7 Disclosure. No representation or warranty of the Seller or the Vendor, or RH or RB contained in this Agreement or other document furnished to the Purchaser pursuant to this Agreement, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact required to make the statements herein or therein not misleading.

Article 5
Representations and Warranties of the Purchaser

The Purchaser hereby represents and warrants to the Seller as follows:

5.1 Organization and Good Standing. The Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the Province of British Columbia. The Purchaser has all requisite corporate power and authority to execute and deliver this Agreement and perform its obligations hereunder.

5.2 Authority; Binding Obligation. The Purchaser's execution and delivery of this Agreement, and the performance of its obligations hereunder and thereunder, have been duly authorized by all necessary corporate action on the part of the Purchaser. This Agreement has been duly executed and delivered by the Purchaser and constitutes a valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms.

5.3 Compliance with Other Instruments. The Purchaser's execution and delivery of this Agreement will not (a) conflict with or result in any violation of the Purchaser's constating documents or (b) conflict with or result in a breach of any judgment, decree, law or order applicable to the Purchaser.

5.4 Consents. There are no consents, approvals or other authorizations of, orders or notifications of, registrations, declarations or filings with any Person, which are required in connection with the valid execution, delivery or performance of this Agreement by the Purchaser and the consummation by the Purchaser of the Contemplated Transactions.

5.5 Tenement Maintenance. To keep and renew the Property claims in good standing including paying all rents, taxes, expenditures and other outgoings, and completing reporting to relevant Government bodies in a timely fashion to adhere to the Mining Act 1992 (NSW).

Article 6
Covenants

The Seller covenants and agrees with the Purchaser, and the Purchaser covenants and agrees with the Seller (other than in respect of Section 6.2 only) as follows:

6.1 Confidentiality and Public Disclosure.

(a) The parties acknowledge that the Purchaser is a public company listed on the Exchange and, as such, is subject to continuous disclosure obligations under applicable securities laws and exchange policies. Accordingly, the Purchaser may be required to disclose certain information regarding this

Agreement and the transactions contemplated herein, including by way of news release and/or material change report.

(b) The Purchaser agrees that, to the extent practicable and permitted by law, it shall provide the Seller with advance written notice of any proposed public disclosure, including draft copies of any news releases, material change reports, or other filings or public statements that refer to the Seller, this Agreement, or the transactions contemplated herein. The Purchaser shall use commercially reasonable efforts to incorporate any reasonable comments or suggested changes proposed by the Seller in respect of such disclosure prior to its dissemination or filing.

(c) Subject to subsection (a), and except as otherwise required by applicable law, the parties agree to maintain the confidentiality of this Agreement and all non-public information exchanged between them in connection with the transactions contemplated herein. No party shall make any other public statement or disclosure regarding this Agreement or the transactions contemplated herein without the prior written consent of the other party, such consent not to be unreasonably withheld.

(d) The provisions of this Section 6.1 shall survive the termination of this Agreement.

6.2 Notification of Certain Matters. Between the date hereof and the Closing Date, each of the Seller and the Owner shall give prompt written notice to the Purchaser of (i) the occurrence or failure to occur of any event which would be likely to cause a Material Adverse Effect, (ii) any material claims, actions, proceedings or investigations commenced or, to the knowledge of the Seller threatened, involving or affecting any of the Property and which would be likely to cause a Material Adverse Effect, and (iii) any material adverse change in the condition (financial or other), properties, assets, or liabilities of the Seller which taken as a whole, would be likely to cause a Material Adverse Effect; provided, however, that no such notification shall affect the representations or warranties of the parties or the conditions to the parties' obligations under this Agreement.

6.3 Conditions. The Seller and the Purchaser shall take all commercially reasonable actions to cause the conditions set forth in Article 7 and Article 8 to be satisfied and to consummate the Contemplated Transactions.

Article 7
Conditions Precedent to the Purchaser's Obligations

The Purchaser's obligations to consummate the Contemplated Transactions are subject to the satisfaction of each of the following conditions prior to or at the Closing, unless specifically waived in writing by the Purchaser in advance:

7.1 Representations and Warranties. The representations and warranties of the Seller contained in this Agreement shall be true and correct as of the date of this Agreement, and as of the Closing Date as though the Closing Date had been substituted for the date of this Agreement throughout such representations and warranties (except that any representation or warranty made as of a specified date other than the date hereof need only be true as of such date). The Seller shall have duly performed and complied with all covenants and agreements and satisfied all conditions required by this Agreement to be performed, complied with or satisfied by the Seller prior to or at the Closing.

7.2 Absence of Litigation. No order, writ, injunction or decree which is binding on the Purchaser or the Seller and which prohibits the Purchaser and/or the Seller from consummating the Contemplated Transactions shall be in effect. No claim, action, suit or proceeding shall be pending or threatened against the Purchaser, the Seller and/or the Property which, if adversely determined, would prevent the consummation of the Contemplated Transactions or result in the payment of substantial damages as a result of such action and for which the other party is not willing to provide indemnification.

7.3 Consents and Approvals. All governmental approvals and consents of contracting parties, requisite or appropriate to the consummation of the Contemplated Transactions shall have been obtained (or all applicable waiting periods shall have expired), and such consents or approvals shall remain in full force and effect. The Purchaser shall have received the approval of the Exchange for the transactions contemplated by this Agreement, including the purchase of the Property.

7.4 Title Evidence. The Purchaser shall have received such documents necessary to establish the transfer to the Purchaser by the Seller of good and marketable title to each asset constituting the Property, free and clear of liens and encumbrances of any kind or nature.

7.5 Receipt of Other Seller Deliveries. The Purchaser shall have received from the Seller the items described in Section 3.6 (b) (i), (ii) and (iii).

7.6 Absence of Changes. From the date of this Agreement to and including the Closing Date, there will not have been: (i) any increase in liens against the Property; (ii) change in the condition (financial or other), which change would have a Material Adverse Effect; or (iii) any fact or circumstance existing as of the date of this Agreement which has not been disclosed to the Purchaser after the date hereof which has, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. For purposes of this Agreement, the term "**Material Adverse Effect**" means an effect which could reasonably be expected to be materially adverse to the operating results, business conditions or prospects of the Property.

7.7 Assignment. The Purchaser reserves the right hereunder to assign its right(s) to one or more affiliated parties prior to closing, it being understood that the Purchaser may create one or more new entities which may consummate the Contemplated Transactions.

Article 8
Conditions Precedent to the Seller's Obligations

The Seller's obligations to consummate the Contemplated Transactions are subject to the satisfaction prior to or at the Closing of each of the following conditions, unless specifically waived in writing by the Seller in advance:

8.1 Representations and Warranties. The representations and warranties of the Purchaser contained in this Agreement shall be true and complete in all material respects as of the date of this Agreement and as of the Closing Date as though the Closing Date had been substituted for the date of this Agreement throughout such representations and warranties (except that any such representation or warranty made as of a specified date other than the date hereof need only be true as of such date).

8.2 Absence of Litigation. No order, writ, injunction or decree which is binding on the Purchaser or the Seller and which prohibits the Purchaser or the Seller from consummating the Contemplated Transactions shall be in effect. No claim, action, suit or proceeding shall be pending or threatened against the Purchaser, or the Seller which, if adversely determined, would prevent the consummation of the Contemplated Transactions or result in the payment of substantial damages as a result of such action and for which the other party is not willing to provide indemnification.

8.3 Consents and Approvals. All governmental and Exchange approvals appropriate to the consummation of the Contemplated Transactions shall have been obtained (or all applicable waiting periods shall have expired) and shall remain in full force and effect.

Article 9
Termination Before Closing

This Agreement may be terminated at any time prior to the Closing: (a) by the mutual written consent of all parties hereto; (b) by the Purchaser, if, prior to the Closing, any condition set forth herein for the benefit of the Purchaser is not met to the Purchaser's satisfaction or cannot be cured shall not have been timely met or waived by the Purchaser; (c) by either the Seller or the Purchaser if the Closing has not occurred on or prior to July 31, 2025, for any reason other than the delay or nonperformance of the party or parties seeking such termination. Termination of this Agreement pursuant to this Article 9 shall terminate all obligations of the parties hereunder, except for the obligations under Section 10.1, and such termination shall not constitute a waiver of any rights (including rights to indemnification under any agreement or covenant in this Agreement occurring prior to such termination).

Article 10
Indemnification

10.1 Indemnification by the Seller. Subject to the terms of this Article 10, the Seller shall indemnify and hold the Purchaser and each officer and director thereof (each a "**Purchaser Indemnified Party**") harmless from, against and in respect of any and all the Purchaser losses in connection with any action, suit or proceeding brought against a Purchaser Indemnified Party) or damages suffered or incurred by a Purchaser Indemnified Party by reason of:

(a) any breach of a representation or warranty made by the Seller and contained herein;

(b) any failure of the Seller to fulfill or perform any covenant, agreement or obligation of the Seller contained herein;

(c) liability arising out of the ownership and/or control of the Property by the Seller on or prior to the Closing Date.

10.2 Payment of Indemnification Claim. With respect to the Purchaser's losses and damages payable hereunder, the Purchaser Indemnified Parties shall be entitled to assert their right to payment directly against the Seller.

Article 11
General Provisions

11.1 Further Acts and Assurances. The Seller shall, at any time and from time to time at and after the Closing, upon request of the Purchaser and without additional consideration, take any and all steps reasonably necessary to place the Purchaser in possession and operating control of the Property, and the Seller will do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances and assurances as may be reasonably required for the more effective transferring and confirming to the Purchaser or for reducing to its possession, any or all of the Property.

11.2 Notices. Any notice or other communication required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given and received:

(a) when delivered by courier to the recipient’s address;

(b) when sent by email, with confirmation of successful transmission and no error or bounce-back notice; or

(c) five (5) business days after being sent by an internationally recognized express mail service, with all postage or delivery fees prepaid.

Notices shall be delivered to the following addresses, or to such other address as any party may designate by notice in accordance with this Section:

If to the Seller:

SUNBIRD RESOURCES PTY LTD.
4b Gloucester Street, Swanbourne, WA, 6010, Australia Attention: Robert Heaslop
Email: rob.heaslop@mrgresources.com.au

If to RB
Attention Ross Brown
Email: rbrown@riviereminerals.com.au

If to RH
Attention Robert Heaslop
Email: rob.heaslop@mrgresources.com.au

If to the Owner:
MAC MINERALS PTY LTD.
362 Cavendish Road, Coorparoo, QLD, 4151 Australia Attention Robert Heaslop
Email: rob.heaslop@mrgresources.com.au

If to the Purchaser:
LANCASTER RESOURCES INC.
1771 Robson Street, #1452, Vancouver, BC, V6G 3B7, Canada
Attention: Andrew Watson, VP Engineering and Operations
Email: andrew@lancasterlithium.com

or at such other address or number for a party as shall be specified by like notice.

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

11.4 Jurisdiction. Each party irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of British Columbia, sitting in Vancouver, in respect of any legal action or proceeding arising out of or relating to this Agreement.

11.5 Binding Agreement. The terms, conditions and obligations of this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. Except as provided herein, without the prior written consent of the other party, no party hereto may assign such party's rights, duties or obligations hereunder or any part thereof to any other person prior to Closing.

11.6 Headings. The headings of the Articles and Sections of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction hereof.

11.7 Modification and Waiver. Any term or condition of this Agreement may be waived at any time by the party entitled to the benefit thereof, and any such waiver must be pursuant to a written waiver signed by the party entitled to such benefits. No waiver of any of the provisions of this Agreement shall be deemed to or shall constitute a waiver of any other provision hereof. No delay or failure on the part of any party hereto to exercise any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any waiver on the part of any party hereto of any right, power or privilege hereunder operate as a waiver of any other right, power or privilege hereunder; nor shall any single or partial exercise of any right, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

11.8 Severability. Any provision hereof which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction will not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by law, the parties hereto waive any provision of law which renders any such provision prohibited or unenforceable in any respect.

11.9 Counterparts and Electronic Means. This Agreement may be executed in several counterparts, each of which will be deemed to be an original and all of which will together constitute one and the same instrument. Delivery of an executed copy of this Agreement by electronic transmission or other means of electronic communication capable of producing a printed copy will be deemed to be execution and delivery of this Agreement as of the day and year first written above.

[signature page follows]

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11.10 Entire Agreement. This Agreement and the Schedules hereto, together with the documents and instruments delivered pursuant hereto constitute the entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and all understandings, negotiations and discussions, whether written or oral, of the parties hereto; provided, however, that this provision is not intended to abrogate any other written agreement between the parties executed with or after this Agreement or any written agreement pertaining to another subject matter. No supplement, modification or waiver of the terms or conditions of this Agreement shall be binding unless executed in writing by authorized representatives of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered, all on and as of the Effective Date.

SUNBIRD RESOURCS PTY LTD.

By:

Signed by:
Ross Brown
FC565D2FFB7648D...
____
Ross Brown, Director

Signed by:
Robert Heaslop
FC565D2FFB7648D...
____
Robert Heaslop, Director

Signed by:
Ross Brown
FC565D2FFB7648D...
____
ROSS BROWN

Signed by:
Robert Heaslop
FC565D2FFB7648D...
____
ROBERT HEASLOP

MAC MINERALS PTY LTD.

By:

Signed by:
Robert Heaslop
FC565D2FFB7648D...
____
Robert Heaslop, Director

LANCASTER RESOURCES INC.

By:

Signed by:
Andrew Watson
A5FC0670BB6642D...
____
Andrew Watson, VP Engineering & Operations

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SCHEDULE "A"

PROPERTY

The Property consists of one mineral claim, an exploration license application, comprising an aggregate of 28,768 hectares situated in the State of New South Wales as set out below, and includes any application for and any extension, renewal, conversion or substitution of this claim:

Tenure ID	Claim Name	Owner	Map Number	Anniversary Date	Area (Hectares)
ELA 6815	Lake Cargelligo	Mac Minerals Pty Ltd.	Cargelligo (SI/55-06) Nymagee (SI/55-02)	Not Confirmed with State regulators	28,768

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SCHEDULE "B"

BILL OF SALE AND ASSIGNMENT

THIS BILL OF SALE AND ASSIGNMENT is made as of the ___ day of __________, 2025 (the "**Effective Date**")

BY:
SUNBIRD RESOURCES PTY LTD., a corporation existing under the laws Australia (the "**Seller**")

IN FAVOUR OF:

LANCASTER RESOURCES INC., a corporation existing under the laws of the Province of British Columbia (the "**PURCHASER**")

WHEREAS:

A. the Seller and the Purchaser have entered into a Mineral Claim Purchase Agreement (the "**Agreement**") for the sale and transfer of certain mineral claims more fully described therein (the "**Property**"); and

B. the Seller has agreed to assign and transfer to the Purchaser all of its right, title, and interest in and to the Property, subject to the terms of the Agreement;

NOW THEREFORE, in consideration of the mutual covenants set out in the Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Seller hereby assigns and transfers the Property to the Purchaser on the terms and conditions set out below.

1. ASSIGNMENT AND TRANSFER

The Seller does hereby sell, assign, transfer, and convey to the Purchaser all of its right, title, estate and interest in and to the Property.

2. FURTHER ASSURANCES

The Seller agrees to do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, all such further acts, transfers, assignments and assurances as may reasonably be required by the Purchaser to assign, transfer and convey to the Purchaser the Property in accordance with the Agreement.

IN WITNESS WHEREOF, the Seller has executed this Bill of Sale and Assignment as of the date first above written.

MAC MINERALS PTY LTD.

By:_________________________________
Name: Robert Heaslop

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SCHEDULE "C"

NET SMELTER ROYALTY AGREEMENT

THIS NET SMELTER RETURNS ROYALTY AGREEMENT (the "**NSR Agreement**") is dated and made effective as of ______, 2025 (the "**Effective Date**").

BETWEEN:

SUNBIRD RESOURCES PTY LTD., a corporation existing under the laws of Australia, with Australian Business Number 37 681 230 571 and an address at 4b Gloucester Street, Swanbourne, WA, 6010, Australia (the "**Grantee**")

AND:

LANCASTER RESOURCES INC., a company incorporated under the laws of the Province of British Columbia

(hereinafter referred to as the "**Grantor**" or the "**Royalty Payor**")

WHEREAS:

A. the Grantor owns the claims (the "**Property**"), as described in the Mineral Claim Purchase Agreement dated between the Grantee, and the Grantor and others (the "**PA**") to which a form of this NSR Agreement is attached; and

B. subject to the completion of the transactions contemplated in the PA, the Grantor has agreed to grant to the Grantee an economic interest in the Property in the form of a net smelter returns royalty, subject to buy-back and right of first refusal provisions, pursuant to the terms and conditions set out in this NSR Agreement.

THEREFORE in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the PA. As used in this NSR Agreement, the following terms have the following meanings:

"**Acceptance Notice**" has the meaning ascribed to it in Section 2.8 herein.

"**Buy-Out Payment**" has the meaning ascribed to it in Section 2.5 herein.

"**Claims**" means, collectively, any present and future right, title and interest of the Royalty Payor (and of any of its successors and assigns, including their successors and assigns in title to the Property) in and to the universality of the mining claims in the Property (the "**Mineral Rights**") and any present and future rights related directly or indirectly to those Mineral Rights or exercised/located, in whole or in

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part, on the same situs/lands as the Mineral Rights, and from time to time comprising any mining and processing site no owned/held or after-acquired by the Payor, including leases, rights of occupancy or use, access rights and rights-of-way, servitudes, surface/subsurface rights and includes any addition, extension, renewal, replacement, conversion or substitution of any such properties and Mineral Rights or resulting properties and Mineral Rights.

"**Commencement of Commercial Production**" shall mean the first day of the calendar month following the date on which a mine on the Property has achieved an average daily production rate of at least 80% of the designed capacity of the processing facilities, as set forth in the most recent Feasibility Study or mine plan accepted by the Royalty Payor, over a continuous period of 90 consecutive days, provided that such production is not materially interrupted by events outside the reasonable control of the Royalty Payor, including force majeure events. For clarity, production during testing, development, or pre-production phases shall not constitute Commercial Production.

"**Discharge Date**" shall have the meaning ascribed to it in Section 2.2 herein.

"**External Products**" shall have the meaning ascribed to it in Section 6.1 herein.

"**Fair Market Value**" shall have the meaning ascribed to it in Section 2.6 herein.

"**Feasibility Study**" means the most recent comprehensive technical and economic assessment report prepared in accordance with NI 43-101 or an equivalent internationally recognized standard, demonstrating the economic and technical viability of extracting mineral resources from the Property, including analyses of mineral reserves and resources, mining methods, processing, capital and operating costs, project economics , environmental and social impact, infrastructure, logistics, and market conditions, prepared by a qualified independent engineering firm prevailing unless otherwise agreed in writing by all parties.

"**Grantee**" means Sunbird Resources Ptd. Ltd., its successors and assigns.

"**Grantor**" means Lancaster Resources Inc.

"**Gross Value**" has the meaning ascribed to it in Section 3.3 herein.

"**Insolvency Event**" means, in respect of any person, (a) such person makes an assignment for the benefit of creditors, makes any proposal under the *Bankruptcy and Insolvency Act* (Canada) or any comparable law, seeks relief under the *Companies' Creditors Arrangement Act* (Canada), the *United States Bankruptcy Code*, the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous law, is adjudged bankrupt, files a petition or proposal to take advantage of any act of insolvency, consents to or acquiesces in the appointment of a trustee, receiver, receiver and manager, interim receiver, custodian, sequestrator or other person with similar powers of itself or of all or any substantial portion of its assets, or files a petition or otherwise commences any proceeding seeking any

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reorganization, arrangement, composition or readjustment under any applicable bankruptcy, insolvency, moratorium, reorganization or other similar law affecting creditors' rights or consents to, or acquiesces in, the filing of such a petition, or (b) a decree or order of a court of competent jurisdiction is entered adjudging such person a bankrupt or insolvent or approving as properly filed a petition seeking the winding up of such person under the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada), the *United States Bankruptcy Code* or the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous laws or issue sequestration or process of execution against any substantial part of the assets of such person or ordering the winding up or liquidation of its affairs, and any such decree or order continues unstayed and in effect for a period of sixty (60) Business Days.

"**Losses**" shall have the meaning ascribed to it in Section 11.5 herein.

"**Mill**" means the Royalty Payor's, its Affiliate's or any third-party's mill facility, wherever located, in which ore, concentrates (including leachates, precipitates, and other concentrates), doré, and other intermediate products are produced by or for the Royalty Payor or its Affiliates;

“**Monthly Average Copper Price**” has the meaning ascribed to it in Section 3.3(c) herein.

“**Monthly Average Gold Price**” has the meaning ascribed to it in Section 3.3(a) herein.

“**Monthly Average Price**” has the meaning ascribed to it in Section 3.3(a) herein.

“**Monthly Average Silver Price**” has the meaning ascribed to it in Section 3.3(g) herein.

“**Net Smelter Returns**” has the meaning ascribed to it in Section 3.1 herein.

“**Net Smelter Returns Royalty**” has the meaning ascribed to it in Section 2.1 herein.

"**NI 43-101**" means *National Instrument 43-101 - Standards of Disclosure* for Applicable Mineral Projects of the Canadian Securities Administrators or any successor instrument, rule, or policy.

“**NPV**” has the meaning ascribed to it in Section 2.6 herein.

"**NSR Parties**" means the parties to this agreement, and "NSR Party" means any one of them.

“**PA**” has the meaning ascribed to it in Recital A herein.

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"**Processor**" means collectively the Mill, smelter, refinery or other processor of materials to the final product stage before sale or other disposition by or for the account of the Royalty Payor or its Affiliates.

“**Production**” has the meaning ascribed to it in Section 3.3(g) herein.

“**Products**” means all marketable naturally occurring metallic and non-metallic minerals, mineral substances or mineral bearing material in whatever form or state, including iron ore, any precious metal, any base metal, coal, any rare earth metals and diamonds, salt and rock, sand, gravel or aggregate, that is mined, extracted, removed, produced or otherwise recovered from the Properties, transformed or otherwise sold therefrom, as well as inventories of whatever nature, whether in the form of ore, doré, concentrates, Refined Metals or any other beneficiated or derivative products thereof and including any such minerals or mineral bearing materials or products derived from any processing or reprocessing of any tailings, residues, waste rock or other waste products, spoiled leach materials, box samples, products and other materials originally derived from the Properties, wherever they are located, including those in possession of and/or under the control of the Royalty Payor, in transition or held for or in the name of the Royalty Payor.

"**Property"** has the meaning ascribed thereto in the preliminary averments.

“**ROFR**” has the meaning ascribed to it in Section 2.8 herein.

“**ROFR Notice**” has the meaning ascribed to it in Section 2.8 herein.

"**Refined Metal**" means copper, gold, silver or other marketable metals produced from Products and refined to standards meeting or exceeding commercial standards for the sale of such as refined metals.

“**Released Property**” has the meaning ascribed to it in Section 10.2 herein.

“**Relinquish Event**” has the meaning ascribed to it in Section 10.2 herein.

“**Royalty**” has the meaning ascribed to it in Section 2.1 herein.

“**Royalty Default**” has the meaning ascribed to it in Section 11.1 herein.

“**Royalty Payor**” means Lancaster Resources Inc.

“**Trading Activities**” has the meaning ascribed to it in Section 3.3(g) herein.

2. NET SMELTER RETURNS ROYALTY

2.1 The Grantor unconditionally grants to the Grantee a royalty equal to two percent (2%) of net smelter returns (the “**Net Smelter Returns Royalty**” or the “**Royalty**”) from activity carried out on the Property payable by the Grantor, its successors and assigns, as specifically determined in accordance with subsections

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2.2, 2.3, 2.4 and Section 3.

2.2 The Royalty Payor shall pay to the Grantee an amount equal to two percent (2%) of the Net Smelter Returns value (as defined herein) of all Products mined and removed from the Property and sold or deemed to have been sold by or for the Royalty Payor (including without limitation any sale by or for an affiliate of the Royalty Payor) after the Discharge Date. Any reference to a sale herein includes a disposition.

2.3 The Royalty Payor and the Grantee agree that the Net Smelter Returns Royalty is to be determined as provided in Section 3 of this NSR Agreement.

2.4 The Grantee acknowledges it may be necessary or appropriate to process, treat or upgrade Products produced from the Property before they are sold or deemed sold; and that to determine the value of such Products, all costs incurred as set out in Section 3 below, shall be deducted from the proceeds received or deemed to be received by the Royalty Payor. The obligation to pay the Net Smelter Returns Royalty shall accrue, as applicable and as set out under Section 3 hereunder, upon the outturn of refined metals meeting the requirements of the specified published price to the Royalty Payor's account or upon the sale of Products, as hereinafter provided.

2.5 At any time prior to the publication of a NI 43-101 compliant preliminary economic assessment (PEA), or at the publication of a NI 43-101 compliant preliminary economic assessment (PEA), the Royalty Payor may, upon providing not less than seven (7) days prior written notice to the Royalty Holder, extinguish 1% the Royalty for $2,000,000 and may purchase the remaining 1% of the Royalty by paying the Grantee an amount equal to the Fair Market Value of the Royalty (the "**Buy-Out Payment**"). Upon receipt of the Buy-Out Payment by the Grantee, the Royalty shall be fully extinguished, and no further royalty payments shall be due or payable on the Royalty.

2.6 The Fair Market Value of the NSR Royalty shall be determined based on the net present value ("**NPV**") of the projected royalty payments over the expected life of the mine, as set forth in the most recent Feasibility Study for the Property. The NPV calculation shall be conducted using a discount rate that is standard for the industry and reflective of similar mining projects at the time of valuation.

2.7 If no Feasibility Study exists, or if the parties disagree on the Fair Market Value, an independent, qualified mining valuation expert, mutually agreed upon by the Grantee, and the Royalty Payor, shall determine the Fair Market Value. The valuation expert shall consider relevant economic, technical, and market factors, including but not limited to commodity prices, production forecasts, operating costs, and applicable regulatory and permitting conditions. The valuation shall be final and binding on both parties, absent manifest error.

2.8 The Grantee grants Grantor a right of first refusal ("**ROFR**") on any proposed sale, assignment, or transfer of the Royalty, requiring the Grantee to first provide written notice ("**ROFR Notice**") to Grantor detailing the material terms of any bona

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fide third-party offer, including the purchase price and payment terms, along with a copy of the offer. Grantor shall have 21 days from receipt of the ROFR Notice to elect, by written notice ("**Acceptance Notice**"), to acquire the Royalty on the same or superior terms and conditions as the third-party offer. If Grantor declines or fails to exercise its ROFR within the specified period, the Grantee may proceed with the sale to the third party on terms no more favourable than those set forth in the ROFR Notice; otherwise, any subsequent transfer remains subject to this ROFR. The ROFR shall not apply to transfers to affiliates of the Grantee, pledges for financing purposes, or corporate reorganizations.

3. NET SMELTER RETURNS, GROSS VALUE AND BASIS OF CALCULATIONS

3.1 "**Net Smelter Returns**" means (1) the actual gross proceeds received by or payable to the Royalty Payor or its Affiliates from the sale or other disposition of Products after the Discharge Date, (2) if the account of the Royalty Payor or its Affiliates at a Processor is credited with Products processed by the Processor, the Gross Value of Products so credited to the Royalty Payor or its Affiliates calculated on the basis of the aggregate quantity of the Products so credited during a calendar month after the Discharge Date, (3) if the Royalty Payor or its Affiliates engages in Trading Activities after the Discharge Date, the Gross Value of the Products subject to the Trading Activities calculated on the basis of the aggregate quantity of the Products sold during a calendar month after the Discharge Date, or (4) any insurance proceeds payable to the Royalty Payor or its Affiliates for any loss or damage to Products before receipt at the relevant Processor after the Discharge Date, less in each case the following expenses:

(a) sales, use, gross receipts, customs duties, severance, value added taxes, withholding taxes and other taxes and governmental charges, if any, payable with respect to the existence, severance, production, removal, sale, processing, transportation, or disposition of Products that are paid or incurred by the Royalty Payor or its Affiliates with respect to the Products, but excluding any taxes:

(i) based on the gross or net income of the Royalty Payor or its Affiliates;

(ii) any business or franchise taxes of the Royalty Payor or its Affiliates; and

(iii) any taxes based on the value of the Property and any capital improvements thereon, including any value-added taxes; and

(b) all costs, tolling charges, representation expenses, metal losses, umpire charges, expenses, penalties, fees and other expenses and charges of any nature whatsoever that are paid or incurred by the Payor or its Affiliates for or in connection with the smelting, refining, beneficiation processes, mineral treatment or other procedures of the Products, whether deducted from the sales revenue or are charged against the Payor or its Affiliates; but excluding all costs, charges and expenses that are paid or incurred in connection with

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mining and milling;

(c) all insurance costs relating to the transportation and treatment of products derived from the Products after the products have departed the Property or the Mill;

3.2 provided that if the smelting, refining, beneficiation processes, mineral treatment or other procedures of the Products is carried out at facilities owned or controlled, in whole or in part, by the Royalty Payor or its Affiliates, then the charges and costs for such smelting, refining, beneficiation processes, mineral treatment or other procedures of the Products will be the lesser of: (A) the charges and costs the Royalty Payor or its Affiliates would have incurred if such smelting, refining, beneficiation processes, mineral treatment or other procedures was carried out at facilities that are not owned or controlled by the Royalty Payor or its Affiliates and that are offering comparable services for comparable products; and (B) the actual charges and costs incurred by the Royalty Payor or its Affiliates with respect to such smelting, refining, beneficiation processes, mineral treatment or other procedures.

3.3 "**Gross Value**" shall have the following meanings for the following categories of Products produced and sold by the Royalty Payor:

(a) If the Royalty Payor causes refined gold (meeting the specifications of the London Bullion Market Association) to be produced from ores mined from the Property, for purposes of determining the Net Smelter Returns Royalty the refined gold shall be deemed to have been sold at the Monthly Gross Average Gold Price for the month in which it was produced, and the Gross Value shall be determined by multiplying Gold Production during the calendar month by Monthly Average Gold Price. As used herein, "Gold Production" shall mean the quantity of refined gold out-turned to the Royalty Payor's pool account by an independent, third party refinery for gold produced from the Property for the calendar month on either a provisional or final settlement basis. As used herein, "**Monthly Average Gold Price**" shall mean the average London Bullion Market Association P.M. Gold Fix, calculated by dividing the sum of all such prices reported for the month by the number of days for which such prices were reported.

(b) If the Royalty Payor causes refined silver (meeting the specifications for refined silver subject to the London Silver Fix published by London Bullion Market Association) to be produced from ores mined from the Property, for purposes of determining the Net Smelter Returns Royalty the refined silver shall be deemed to have been sold at the Monthly Gross Average Silver Price for the month in which it was produced, and the Gross Value shall be determined by multiplying Silver Production during the calendar month by Monthly Average Silver Price. As used herein, "Silver Production" shall mean the quantity of refined silver out-turned to the Royalty Payor's pool account by an independent, third-party refinery for silver produced from the Property for the calendar month on either a provisional or final settlement basis. As used herein, "**Monthly Average Silver Price**" shall mean the London Silver Fix published by London Bullion Market Association, calculated by dividing the sum of all such prices reported for the month by the number of days for which such prices were reported.

(c) If the Royalty Payor causes refined copper (meeting the specifications for refined copper subject to the New York Mercantile Exchange or NYMEX) to be produced from ores mined from the Property, for purposes of determining the Net Smelter Returns Royalty the refined copper shall be deemed to have been sold at the Monthly Gross Average Copper Price for the month in which it was produced, and the Gross Value shall be determined by multiplying Copper Production during the calendar month by Monthly Average Copper Price. As used herein, "**Copper Production**" shall mean the quantity of refined copper out-turned to the Royalty Payor's pool account by an independent, third-party refinery for copper produced from the Property for the calendar month on either a provisional or final settlement basis. As used herein, "**Monthly Average Copper Price**" shall mean the average of the LME Settlement Price for Grade "A" Copper Cathode for the calendar month in which the copper is returned or credited to the account of Royalty Payor or its Affiliate, calculated by dividing the sum of all such prices reported for the month by the number of days for which such prices were reported.

(d) In the event that the Royalty Payor sells Products other than those categories referred to above produced from ore mined from the Property, the Gross Value shall be equal to the amount of the proceeds actually received by the Royalty Payor during the calendar month or relevant period from the sale of Products.

(e) Where output of refined metals is made by an independent third-party refinery on a provisional basis, the Gross Value shall be based on the amount of such provisional settlement, but shall be adjusted in subsequent statements to account for the amount of refined metal established by final settlement by such refinery.

(f) The Grantee acknowledges that the purpose of paragraphs (a), (b), (c) and (d) above is to pay the Grantee a Net Smelter Returns Royalty on the basis of value of the refined gold, silver and copper at prices established by the London Bullion Market Association for Gold and Silver and The Northern Miner for copper, regardless of the price or proceeds actually received by the Royalty Payor for or in connection with such metal or the manner in which a sale of refined metal to a third party is made by the Royalty Payor. The Grantee further acknowledges that the Royalty Payor shall have the right to market or sell or refrain from selling refined gold, silver, copper and other metals and minerals produced from the Property in any manner they may elect.

(g) The Royalty Payor may engage in forward sales, futures trading or commodity options trading, and other price hedging, price protection and speculative arrangements (the "**Trading Activities**"), which may involve the possible delivery of gold, silver, copper and other metals or minerals

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produced from the Property (including Refined Metals). The Grantee will not be entitled to participate in the profits and will not be obligated to share in any losses generated by the Royalty Payor's Trading Activities. The Net Smelter Returns Royalty that is subject to Trading Activities will be determined in accordance with the deemed prices referenced at paragraphs (a), (b), (c) and (d) above, and where the paragraphs above do not refer to a deemed price, then for purposes of determining the Net Smelter Returns Royalty in the context of Trading Activities, the Products will be deemed to have been sold at the Monthly Gross Average Price for the month in which it was produced, and the Gross Value shall be determined by multiplying Production during the calendar month by Monthly Average Price. As used herein, "**Production**" means the quantity of Product produced from the Property for the calendar month on either a provisional or final settlement basis. As used herein, "**Monthly Average Price**" means the average base or precious metals price published in The Northern Miner, as applicable, or where there is no such published price applicable to the Product concerned, a published price as selected by a person appointed by the Grantees for such purpose, calculated by dividing the sum of all such prices reported for the month in *The Northern Miner* or otherwise, by the number of days for which such prices were reported.

(h) Gross Value also includes the proceeds of any insurance settlement or proceeds payable to the Royalty Payor and/or its affiliates arising from a claim for lost or damaged Products.

4. RIGHT TO PROCESS

4.1 The Royalty Payor may, but is not obligated to, beneficiate, mill, sort, concentrate, refine, smelt, or otherwise process and upgrade the Products produced from ores mined from the Property prior to sale, transfer, or conveyance to a purchaser, user or consumer other than the Royalty Payor. The Royalty Payor shall not be liable for mineral values lost in such processing under sound practices. The Royalty Payor shall have the sole and exclusive right to determine the timing and the manner of any production from the Property and all related exploration, development, operational and mining activities. Nothing in this NSR Agreement shall require the Royalty Payor to explore, develop or mine or continue operations on the Property or to process ores from the Property. The Royalty Payor shall not be responsible for nor be obliged to make any Royalty payments for values lost in any mining or processing of the minerals conducted pursuant to customary mining practices. The Royalty Payor shall not be required to mine or to preserve or protect the minerals which under customary mining practices cannot be mined or shipped at a reasonable profit at the time mined. The Royalty Payor may, but is not obligated to, retain ore or treated ore products containing minerals as inventory for any length of time and for any reason. At the Grantee's request, the Royalty Payor shall deliver to the Grantee a statement of such inventory not more than monthly, but the Grantee shall have no right to any Royalty payments until the Royalty Payor actually delivers and sells the minerals. Raw minerals stockpiles are not subject to the Royalty until the products are delivered and sold unless an affiliate of the Royalty Payor consumes

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or absorbs such retained ore or treated ore products containing minerals in its own operations (in which case, Article 5 will apply to the sale or disposition to the affiliated party). Where ore or treated ore products containing minerals are retained as inventory for twelve months or more, an explanation in writing will be provided in the aforementioned report(s) as applicable and will be deemed to be sold or disposed of in accordance herewith where retained as inventory for twenty-four (24) months or more, whether or not treated, unless otherwise agreed in writing by the parties hereto.

5. RIGHT OF SALE

5.1 The Royalty Payor shall be permitted to sell or dispose of minerals from the Property comprised in the Claims in the form of Products to an affiliated party, provided that such sales or dispositions shall be considered, solely for the purpose of computing Net Smelter Returns value, to have been sold or disposed of at prices and on terms no less favourable to those which would be extended to an unaffiliated third party under similar circumstances.

6. CO-MINGLING AFTER MEASURING

6.1 The Royalty Payor may mix or commingle Products with ore mined from other properties and any minerals, metals, concentrates, dore or other materials or products derived therefrom ("**External Products**"), provided that prior to such commingling, the Royalty Payor shall adopt and employ reasonable practices and procedures for weighing, determination of moisture content, sampling and assaying, as well as utilize reasonable accurate recovery factors in order to determine the amounts of Products derived from, or attributable to Products mined and produced from the Property. In particular, the Royalty Payor shall take, or cause to be taken, representative samples of the average grade of Products and External Products and other measures as are appropriate, and shall determine the weight or volume of and sample and analyze/assay all such Products and External Products before the same are so mixed or commingled. Any such determination of grade, weight or volume, sampling and analysis shall be made in accordance with sound and generally accepted sampling and analytic procedures and practices consistently applied. The weight or volume and the analysis so derived shall be used as the basis of proportionate allocation of payments in the event of a sale of Products and External Products so mixed or commingled. In addition, comparable procedures may be used by the Royalty Payor to apportion among any commingled Products and External Products any penalties and other charges and deductions, if any, imposed by the smelter, refiner or purchaser of such Products in calculating the Net Smelter Returns value of such Products.

7. PAYMENTS AND ACCOUNTING

7.1 Net Smelter Returns Royalties shall become due and payable quarterly within sixty (60) calendar days following the last day of the calendar quarter in which the same accrued. Net Smelter Returns Royalty payments shall be accompanied by a statement showing in reasonable detail the quantities and grades of the Products produced and sold or deemed sold by the Royalty Payor in the preceding calendar

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quarter; the average monthly price determined as herein provided for refined metals on which the Net Smelter Returns Royalty is due; the proceeds of sale for other mineral products on which the Royalty is due; costs, and other deductions; and other pertinent information in sufficient detail to explain the calculation of the Net Smelter Returns Royalty payment.

7.2 At the election of any NSR Party, disputes regarding royalty calculations or valuations may be submitted to binding arbitration in Vancouver, British Columbia, under the rules of the British Columbia International Commercial Arbitration Centre.

8. RIGHT TO AUDIT

8.1 The Royalty Payor shall keep proper books of account, records and supporting materials covering all matters relevant to the calculations of the payments payable to the Grantee in accordance with IFRS, and the reasonable verification thereof.

8.2 The Royalty Payor shall, at all reasonable times, at the sole cost of the Grantee, permit agents and representatives of the Grantee to inspect and audit and make copies from such books of account, records and supporting materials relevant to the calculation of such payments.

8.3 All Net Smelter Returns Royalty payments shall be considered final and in full satisfaction of all obligations of the Royalty Payor with respect thereto, unless the Grantee gives the Royalty Payor written notice setting forth a specific objection to the calculation thereof within three (3) months after receipt by the Grantee of the quarterly statement herein provided for. If the Grantee objects to a particular quarterly statement as herein provided, the Grantee shall, for a period of thirty (30) days after the Royalty Payor's receipt of notice of such objection, have the right, upon reasonable notice and at a reasonable time, to have the Royalty Payor's accounts and records relating to the calculation of the royalty in question audited by a chartered accountant acceptable to the Grantee and to the Royalty Payor. If such audit determines that there has been a deficiency or excess in the payment made to the Grantee such deficiency or excess shall be resolved by adjusting the next quarterly Net Smelter Returns Royalty payment due hereunder. The Grantee shall pay all costs of such audit unless a deficiency of more than 5% of the amount due is determined to exist. The Royalty Payor shall pay all costs of such audit if a deficiency of more than 5% of the amount due is determined to exist. All books and records kept by the Royalty Payor to calculate royalties due hereunder shall be kept in accordance with IFRS. Failure on the part of the Grantee to make a claim on the Royalty Payor for adjustment in such 12-month period shall establish the correctness and preclude the filing of exceptions thereto or making of claims for adjustment thereon.

8.4 The Grantee may at all reasonable times, once each calendar quarter and upon reasonable notice, and at its sole risk and expense, (a) access to the Property and any Mill, and (b) monitor the stockpiling and milling of ore or Products derived from the Property and take samples from the Property or any stockpile or from any Mill or Processor for purposes of assay verifications.

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9. FORCE MAJEURE

9.1 The Royalty Payor shall not be liable for delays in royalty payments caused by events beyond its reasonable control, including acts of God, war, or government action, provided notice is given to the Grantee within 30 days of the event.

10. ABANDONMENT OF PROPERTIES

10.1 The Royalty Payor shall not abandon, relinquish, terminate or fail to renew (a "**Relinquishment Even**t" all or any portion of the Properties (the "**Released Property**") without complying with this Section 10.

10.2 If the Payor wishes to undertake a Relinquishment Event in respect of a Released Property it owns, then the Royalty Payor shall provide the Grantee with a minimum of 90 days prior written notice of such intended Relinquishment Event.

10.3 Upon receipt of the said notice, the Grantee shall have a period of 30 days within which to advise the Royalty Payor in writing that it desires to acquire the Released Property for consideration equal to $10.00. If the Grantee shall forward such written notice to the Royalty Payor within the said 30-day period, the Royalty Payor shall thereafter do all such acts and things or shall cause all such acts and things to be done, at the Grantee's sole cost and expense, to assign or convey, as appropriate, the Released Property to the Grantee and to have the Released Property recorded or registered into the name of the Grantee.

10.4 If the Grantee does not forward the said written notice to the Royalty Payor within the said 30-day period, then the Royalty Payor shall have the right to complete the Relinquishment Event with respect to the applicable Released Property.

10.5 If a Relinquishment Event is completed and thereafter the Royalty Payor or any Affiliate of the Royalty Payor subsequently reacquires a direct or indirect ownership interest in the Released Property, then such Released Property will once again be subject to the obligation to pay the Royalty with respect thereto.

11. EVENTS OF DEFAULT AND REMEDIES

11.1 The occurrence and continuance of any of the events described in subsection 11.2 below shall constitute an event of default under this NSR Agreement (a "**Royalty Default**"). Upon the occurrence of a Royalty Default, the Grantee may, without prejudice to its rights and remedies available at law or in equity, exercise the rights and remedies contemplated by this NSR Agreement.

11.2 The Royalty Payor shall be in default under this NSR Agreement, and a Royalty Default shall occur, if:

(a) the Royalty Payor fails to pay the Net Smelter Returns Royalty or any other amount owing to the Grantee under this NSR Agreement when due and such failure continues for a period of 30 days following written notice from the

Grantee;

(b) the Royalty Payor fails to perform, observe, or comply with any term, covenant, obligation, undertaking, or agreement contained in this NSR Agreement, including, without limitation, if any representations or warranties of the Royalty Payor under this NSR Agreement are or become inaccurate, false, or erroneous, and such failure continues for a period of 60 days following written notice from the Grantee;

(c) the Royalty Payor suffers any Insolvency Event, including but not limited to bankruptcy, receivership, or an arrangement with creditors under applicable insolvency laws;

(d) proceedings are commenced for the dissolution, liquidation, or voluntary winding up of the Royalty Payor, or for the suspension of its operations, unless such proceedings are actively and diligently contested in good faith by the Royalty Payor; or

(e) the Royalty Payor fails to provide any statement, record, or access required under Section 7 or Section 8 of this NSR Agreement within the timeframes specified therein.

11.3 If a Royalty Default occurs and is continuing, the Grantee shall have the right, upon written notice to the Royalty Payor, at its option and in addition to and not in substitution for any other remedies available at law or in equity, to take any or all of the following actions:

(a) demand immediate payment of any Net Smelter Returns Royalty payments or other amounts payable but not yet paid by the Royalty Payor to the Grantee in accordance with this NSR Agreement;

(b) terminate this NSR Agreement by written notice to the Royalty Payor and, without limiting subsection [11.3(a)], demand all Losses suffered or incurred by the Grantee as a result of the occurrence of such Royalty Default and termination, including, following termination, Losses based on the Grantee's loss of the benefits of the Net Smelter Returns Royalty under this NSR Agreement.

11.4 For greater certainty, if the Grantee does not exercise its right under subsection [11.3(b)] to terminate this NSR Agreement, the obligations of the Royalty Payor under this NSR Agreement shall continue in full force and effect.

11.5 The Royalty Payor shall promptly pay the Grantee all Losses under subsection 11.3 upon written demand from the Grantee. For purposes of this section, "**Losses**" shall mean all damages, costs, expenses (including reasonable legal fees), and losses of value, whether direct or indirect, incurred by the Grantee as a result of the Royalty Default.

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12. SUCCESSORS AND ASSIGNS

12.1 This NSR Agreement shall be binding upon and enure for the benefit of each of the parties and their respective successors and assigns. This NSR Agreement and NSR Royalty will be an interest in real property running with the land.

13. VARIATIONS

13.1 No variations or amendments may be made to this NSR Agreement without the written consent of all parties.

14. WAIVER

14.1 No failure to exercise, nor delay in exercising, on the part of any NSR Party, any right or remedy under this NSR Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this NSR Agreement are cumulative and not exclusive of any rights or remedies provided by law.

15. LAW

15.1 This NSR Agreement shall be governed by and construed in accordance with the laws of British Columbia and the federal laws of Canada applicable therein without reference to the conflict of law rules of either jurisdiction.

15.2 In the event of any inconsistency or discrepancy between the terms of this NSR Agreement and the PA, the terms of this NSR Agreement shall prevail and govern.

16. JURISDICTION

16.1 Subject to Section 7.2, any and all disputes arising under this NSR Agreement, whether as to interpretation, performance or otherwise, shall be subject to the non-exclusive jurisdiction of the courts of the Province of British Columbia and each of the parties hereto hereby irrevocably attorns to the jurisdiction of the courts of such province.

17. ELECTRONIC SIGNATURES AND COUNTERPARTS

17.1 This NSR Agreement may be executed by means of electronic signatures. This NSR Agreement may be executed by the parties in one or more counterparts, each of which will be deemed an original and all of which, taken together, will constitute one and the same instrument. All pages of this NSR Agreement must be provided. This NSR Agreement may be executed and transmitted electronically and if so executed and transmitted this NSR Agreement will be for all the purposes as if the parties had delivered an executed original NSR Agreement.

[signature appears below]

IN WITNESS WHEREOF, the Parties hereto have executed this NSR Agreement as of the date first written above.

SUNBIRD RESOURCES PTY LTD.
Per:

____
Ross Brown, Director

____
Robert Heaslop, Director

LANCASTER RESOURCES INC.
Per:

____
Andrew Watson, VP, Engineering and Operations