CERTIFICATE NO.: 1

EFFECTIVE DATE: April 27, 2020

SENIOR SECURED CONVERTIBLE DEBENTURE

ELEMENT 29 RESOURCES INC. - $1,500,000

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION; (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT; (C) PURSUANT TO (I) RULE 144A UNDER THE SECURITIES ACT, IF AVAILABLE, OR (II) RULE 144 UNDER THE SECURITIES ACT, IF AVAILABLE OR (D) IN ACCORDANCE WITH ANY OTHER REGISTRATION EXEMPTION, EVIDENCED IN THE CASE OF A TRANSFER PURSUANT TO (C)(II) OR (D) ABOVE, BY AN OPINION OF COUNSEL OF RECOGNIZED STANDING AND REASONABLY ACCEPTABLE TO THE CORPORATION AND THE TRANSFER AGENT, TO THE EFFECT THAT AN EXEMPTION FROM REGISTRATION IS AVAILABLE UNDER THE SECURITIES ACT AND APPLICABLE STATE LAWS. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA OR ELSEWHERE.

SO LONG AS THE CORPORATION REMAINS A "FOREIGN ISSUER" AS DEFINED IN SEC REGULATION S, A NEW CERTIFICATE BEARING NO LEGEND (OTHER THAN AS MAY BE REQUIRED BY LAWS OF A JURISDICTION OTHER THAN CANADA OR THE UNITED STATES) MAY BE OBTAINED FROM THE CORPORATION'S TRANSFER AGENT UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO THE TRANSFER AGENT AND THE CORPORATION, TO THE EFFECT THAT THE SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 903 OR RULE 904 OF SEC REGULATION S UNDER THE SECURITIES ACT.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE LATER OF (I) APRIL 27, 2020, AND (II) THE DATE THE ISSUER BECAME A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY.

ANY SHARE OR WARRANT OR OTHER CERTIFICATE ISSUED PURSUANT TO A CONVERSION OF THIS DEBENTURE PRIOR TO AUGUST 28, 2020 MUST CONTAIN THE FOLLOWING LEGENDS:

"UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE LATER OF (I) APRIL 27, 2020, AND (II) THE DATE THE ISSUER BECAME A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY"

BACKGROUND

(A) This debenture certificate represents the senior secured convertible debenture (the "**Debenture**") issued by Element 29 Resources Inc. (the "**Company**") to RCF Opportunities Fund L.P. (the "**Holder**") pursuant to the Subscription Agreement dated April 27, 2020 between the Company and the Holder (the "**Subscription Agreement**"); and

(B) The terms of this Debenture represented by this Debenture Certificate are covenanted and declared as provided below.

TERMS

ARTICLE 1 - DEFINITIONS AND INTERPRETATION

The definitions and rules of interpretation provided in Schedule 1, and the terms as defined in the body of this Debenture Certificate, shall apply except where inconsistent with the subject matter or context.

ARTICLE 2 - PROMISE TO PAY

2.1 INDEBTEDNESS

The Company acknowledges that the Holder has advanced the Principal Sum to the Company and, in consideration for value received, the Company hereby acknowledges itself indebted and promises and covenants to pay to the Holder:

2.1.1 the Principal Sum but only the amount of the Principal Sum then outstanding;

2.1.2 Interest on any monies owing by the Company to the Holder pursuant to, and as calculated, in accordance with this Debenture Certificate; and

2.1.3 all other monies which may be owing by the Company to the Holder pursuant to this Debenture Certificate;

(collectively, the "**Indebtedness**").

2.2 PAYMENT ON MATURITY

Subject to Article 4 - the Company shall pay in cash on the Maturity Date all outstanding Indebtedness owing to the Holder in full, in the manner as directed by the Holder.

ARTICLE 3 - INTEREST

3.1 CALCULATION AND PAYMENT OF INTEREST

3.1.1 Interest on the Principal Sum shall accrue and be added to the Principal Sum on a quarterly basis, and shall be calculated at the Initial Interest Rate from the Effective Date until April 27, 2021 and at the Increased Interest Rate from April 27, 2021 until the earlier of:

(a) the Maturity Date;

(b) the date of an Automatic Conversion; or

(c) the date of an Election Conversion.

ARTICLE 4 - CONVERSION OF DEBENTURES

4.1 AUTOMATIC CONVERSION

4.1.1 If, immediately prior to the occurrence of a Liquidity Event, all or any of the Indebtedness at that time remains unpaid, then such Indebtedness shall automatically convert into Units at a twenty percent (20%) discount to the Liquidity Event Price ("**Automatic Conversion**").

4.1.2 Promptly and immediately prior to the completion of the Liquidity Event, the Company shall issue to the Holder such number of Common Shares and Warrants comprising the Units to be issued pursuant to the Automatic Conversion and shall deliver or cause to be delivered to the Holder, or such other person as directed by the Holder, certificates representing such Common Shares and Warrants.

4.1.3 Upon completion of the Automatic Conversion:

(a) the Indebtedness shall be deemed to be paid in full and all rights of the Holder to receive the Indebtedness and all rights under this Debenture Certificate shall cease;

(b) the Automatic Conversion shall constitute full payment of the subscription price for the Common Shares and Warrants issuable on such Automatic Conversion, and such Common Shares shall be issued as fully paid and non-assessable Common Shares in the capital of the Company; and

(c) the Holder, or any other person as directed by the Holder, shall be deemed to have become the holder of record of such Common Shares and Warrants, and this Debenture Certificate shall be deemed cancelled and of no further force and effect.

4.1.4 The Company must provide the Holder no less than 15 (fifteen) Business Days' prior written notice of the completion of any Liquidity Event and any record date with respect to any Liquidity Event, if any.

4.2 **ELECTION CONVERSION**

4.2.1 At any time prior to the Maturity Date or the occurrence of an Automatic Conversion, the Holder may, at its option, elect to convert all or any part of the Indebtedness into Units at a twenty percent (20%) discount to the lowest Interim Financing Price in connection with an Interim Financing undertaken by the Company since the Effective Date ("**Election Conversion**").

4.2.2 If the Holder elects to exercise an Election Conversion, then the Holder shall deliver to the Company at the Company's Office a duly executed "Conversion Notice" in the form provided in Schedule 3, together with the original Debenture Certificate.

4.2.3 Promptly and not later than two (2) Business Days following receipt of the Conversion Notice and this Debenture Certificate, the Company shall issue or cause to be issued such number of Common Shares and Warrants comprising the Units to be issued pursuant to the Election Conversion and deliver or cause to be delivered to the Holder, certificates in the name of the person specified in the Conversion Notice for such number of Common Shares and Warrants, and any replacement Debenture Certificate as contemplated by Section 4.2.

4.2.4 In the event that only a portion of the Indebtedness is converted pursuant to an Election Conversion:

(a) the portion of the Indebtedness not converted shall continue to be payable and accrue Interest in accordance with the terms of this Debenture Certificate; and

(b) the Company shall deliver to the Holder a replacement Debenture Certificate representing any remaining Indebtedness not so converted on the same terms as provided herein.

4.2.5 Upon completion of the Election Conversion:

(a) the portion of the Indebtedness converted shall be deemed to be paid in full and all rights of the Holder to receive such Indebtedness and all rights under this Debenture Certificate with respect to such Indebtedness shall cease;

(b) the Election Conversion shall constitute full payment of the subscription price for the Common Shares and Warrants comprising the Units issuable on such

Election Conversion, and such Common Shares shall be issued as fully paid and non-assessable Common Shares in the capital of the Company; and

(c) the Holder, or any other person as directed by the Holder, shall be deemed to have become the holder of record of such Common Shares and Warrants, and this Debenture Certificate shall be deemed cancelled and of no further force and effect, subject to the Company providing a replacement Debenture Certificate representing Indebtedness that remains outstanding.

4.2.6 The Company must provide the Holder no less than 15 (fifteen) Business Days' prior written notice of the completion of any Interim Financing and any record date with respect to any Interim Financing, if any.

ARTICLE 5 - RESERVE FOR ISSUANCE

5.1 The Company shall at all times while this Convertible Debenture, or any Warrants or any replacement thereof, are outstanding, reserve and keep available out of its authorized but unissued share capital, for the purpose of effecting the Conversion of this Debenture and exercise of the Warrants, such number of Common Shares as shall from time to time be necessary to issue Common Shares upon Conversion of this Debenture and exercise such Warrants.

ARTICLE 6 - ADJUSTMENTS

6.1 FRACTIONAL SHARES

6.1.1 Notwithstanding any other term of this Debenture Certificate, the Company shall in no case be required to issue fractional Common Shares or Warrants or to pay any cash adjustment in lieu of any fractional Common Shares upon the Conversion of the Debenture.

6.1.2 Any fractions of Common Shares or Warrants will be rounded down to the nearest whole number.

6.2 SHARE REORGANIZATION

6.2.1 In this Debenture Certificate, "**Share Reorganization**" means when the Company:

(a) subdivides or redivides the outstanding Common Shares into a greater number of Common Shares;

(b) reduces, combines, or consolidates the outstanding Common Shares into a smaller number of Common Shares; or

(c) issues any Common Shares to the holders of all or substantially all of the outstanding Common Shares by way of a stock dividend.

6.2.2 In the event of a Share Reorganization, the number of Units which may be acquired pursuant to Article 4 - of this Debenture Certificate on and at any time after the effective date of such Share Reorganization, or on the record date for such issue of Common Shares by way of a stock dividend, as applicable:

(a) shall be increased, in the case of the events referred to in Sections 6.2.1(a) and 6.2.1(c), in the proportion which the number of Common Shares outstanding prior to such event (including Common Shares underlying exchangeable or convertible securities referred to in 6.2.1(c) above) bears to the number of Common Shares after such event; or

(b) shall be decreased in the case of the events referred to in Section 6.2.1(b), in the proportion which the number of Common Shares outstanding prior to such event bears to the number of Common Shares outstanding after such event,

and in each case the price at which the Conversion shall occur will be adjusted to reflect the change in the number of Units that become issuable under this Article 6 - .

6.2.3 Any issue of Common Shares by way of a stock dividend as provided in Section 6.2.1(c) shall be deemed to have been made on the record date fixed for such stock dividend for the purpose of calculating the number of outstanding Common Shares under this Article 6 - .

6.2.4 In the case of any reclassification of, or other change in, the outstanding Common Shares other than a subdivision, redivision, reduction, combination or consolidation, the Holder shall be entitled to receive upon Conversion, and shall accept in lieu of the number of Units to which it was theretofore entitled upon such Conversion, the kind and amount of shares and other securities or property which the Holder would have been entitled to receive as a result of such reclassification if, on the effective date thereof, it had been the registered holder of the number of Units to which it was theretofore entitled upon Conversion. If necessary, appropriate adjustments shall be made in the application of the provisions set forth in this Article 6 - with respect to the rights and interests thereafter of the Holder to the end that the provisions set forth in this Article 6 - shall thereafter correspondingly be made applicable as nearly as may be possible in relation to any shares or other securities or property thereafter deliverable upon the Conversion of the Debenture. Any such adjustments shall be made by and set forth in a supplemental certificate approved by the directors of the Company and shall for all purposes be conclusively deemed to be an appropriate adjustment, after reasonable consultation with the Holder.

6.2.5 In the event and whenever the Company shall issue or distribute to all or substantially all the holders of Common Shares (i) shares of the Company of any class; (ii) rights, options or warrants (that shall not have expired unexercised, unconverted or unexchanged at the time the Holder converts this Debenture, in whole or in part); (iii) evidences of indebtedness; or (iv) any other assets or securities, and if such issuance or distribution does not result in an adjustment as provided for in Section 6.2.2, the Company must provide the Holder no less than 15 (fifteen) Business Days prior written notice of the record date of such event and, for certainty, shall allow the Holder to convert this Debenture pursuant to the terms of this Debenture Certificate prior to such record date in order to allow the Holder to be entitled to such issuance or distributions with respect to the Units issued upon such Conversion.

6.2.6 For the purposes this Article 6 - , any adjustment shall be made successively whenever an event referred to above shall occur.

ARTICLE 7 - LEGENDS

7.1 ENDORSEMENT

7.1.1 In addition to any legend setting forth transfer restrictions under applicable securities legislation, if the Common Shares, Warrants, or any other securities of the Company are issued pursuant to this Debenture prior to the date that is the later of 4 months and a day after the date of issuance of this Debenture and the date that the Company becomes a reporting issuer in any province or territory of Canada, the certificates representing such Common Shares, Warrants, or such other securities issued to the Holder or the person specified in the Conversion Notice, as applicable, will be endorsed with a legend setting out resale restrictions under applicable securities laws in substantially the following form:

"UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE LATER OF (I) APRIL 27, 2020; AND (II) THE DATE THE ISSUER BECAME A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY."

7.1.2 All certificates evidencing the Common Shares and Warrants shall also bear, and be subject to the conditions of, the following legend:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION; (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT; OR (C) PURSUANT TO (I) RULE 144A UNDER THE SECURITIES ACT, IF AVAILABLE, OR (II) RULE 144 UNDER THE SECURITIES ACT, IF AVAILABLE, OR (D) IN ACCORDANCE WITH ANY OTHER REGISTRATION EXEMPTION, EVIDENCED IN THE CASE OF A TRANSFER PURSUANT TO (C)(II) OR (D) ABOVE, BY AN OPINION OF COUNSEL OF RECOGNIZED STANDING AND REASONABLY ACCEPTABLE TO THE CORPORATION AND THE TRANSFER AGENT, TO THE EFFECT THAT AN EXEMPTION FROM REGISTRATION IS AVAILABLE UNDER THE SECURITIES ACT AND APPLICABLE STATE LAWS. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA OR ELSEWHERE.

SO LONG AS THE CORPORATION REMAINS A "FOREIGN ISSUER" AS DEFINED IN SEC REGULATION S, A NEW CERTIFICATE BEARING NO LEGEND (OTHER THAN AS MAY BE REQUIRED BY LAWS OF A JURISDICTION OTHER THAN CANADA OR THE UNITED STATES) MAY BE OBTAINED FROM THE CORPORATION'S TRANSFER AGENT UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO THE TRANSFER AGENT AND THE CORPORATION, TO THE EFFECT THAT THE SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 903 OR RULE 904 OF SEC REGULATION S UNDER THE SECURITIES ACT.

ARTICLE 8 - PLEDGES

8.1 Pledges. As security for the payment and performance of the Indebtedness, the Company has agreed to execute, deliver and perform the Pledges.

8.2 Covenant to Pledge. The Company will, and will cause EAS, CAS and Richard Thomas Osmond to, as soon as practicable following the Closing Date (as such term is defined in the Subscription Agreement): (i) enter into, execute and deliver the Pledges, together with the original share certificates representing the relevant equity interests of EAS and CAS and any other documents required to grant, register and perfect the security interest contemplated by the Pledges, to the Holder, and enter the same onto the share registers of EAS and CAS, as applicable, (ii) register and record the security interest relating to the Pledges in such registries as may be necessary or prudent in all relevant jurisdictions, as required by the Holder acting reasonably, including the

Personal Property Contract Registry (as such term is defined in the Pledges), and (iii) take any other actions required to perfect such security interest, as required by the Holder acting reasonably, all in order to grant, constitute, perfect and maintain to the Holder a first ranking security interest in the shares of EAS and CAS.

8.3 Negative Covenant. Until the Company has completed, or has caused EAS, CAS and Richard Thomas Osmond to complete, the covenants set out in Section 8.2, the Company will not, and will not permit EAS, CAS and Richard Thomas Osmond to, without the prior written consent of the Holder, create, incur, assume or suffer to exist, or agree to create, incur, assume or suffer to exist, with respect to the shares of EAS and CAS, any mortgage, pledge, lien, charge, security or security interest or any other agreement, trust or arrangement having the effect of granting security for the payment of any debt, liability or obligation, or take any other action that would prevent the Company, EAS or CAS from granting to the holder a first ranking security interest in the shares of EAS and CAS as contemplated in this Article 8 - .

ARTICLE 9 - COVENANTS

9.1.1 The Company will not, and will not permit EAS, CAS and Richard Thomas Osmond to, until the Indebtedness has been repaid in full, without the prior written consent of the Holder:

(a) sell, assign, transfer or in any other way dispose of any shares or securities of EAS and CAS held by the Corporation, or to allow or consent or enter into the share ledger of EAS and CAS, any such sale, assignment, transfer or disposal; or

(b) complete any arrangement, amalgamation, or any other corporate transaction, or sell any assets of, EAS or CAS, which in the reasonable opinion of the Holder would prejudice the value of, or the ability of the Holder to enforce, the Pledges.

ARTICLE 10 - TAX

All payments made by the Company with respect to the Debentures will be made without withholding or deduction for applicable taxes in any applicable jurisdiction unless the Company is legally required to do so, in which case the Company will pay such additional amounts as may be necessary so that the net amount received by the Holder after such withholding or deduction will not be less than the amount that would have been received in the absence of such withholding or deduction.

ARTICLE 11 - DEFAULT

Upon the happening of any one or more Events of Default, then in each and every such event, the amount of the Indebtedness shall forthwith become immediately due and payable to the Holder, anything herein contained to the contrary notwithstanding, and the Company shall forthwith pay to the Holder the amount of the Indebtedness and all other moneys payable under the provisions hereof and interest from the date of the said Event of Default shall continue to accrue at a rate of 12% per annum, compounded quarterly, until payment is received by the Holder; provided, however, that (a) if the Pledge Execution has not occurred by the Pledge Execution Date or (b) if the Pledge Registration has not occurred by Pledge Registration Date, such rate shall be 14% (fourteen percent) per annum from the date of the said Event of Default until the date the Pledge Execution or the Pledge Registration, as the case may be, has occured, being a 365 day year, compounded quarterly.

ARTICLE 12 - OTHER RIGHTS OF THE HOLDER

12.1 Set-off. The Company shall have no right of set-off or counterclaim against the Holder with respect to the Indebtedness, the Obligations, or any other dealings between the Parties whatsoever.

12.2 No merger. Neither the taking of any judgment nor the exercise of any rights hereunder shall operate to extinguish the obligation of the Company to satisfy the Obligations in full and shall not operate as a merger of any covenant in this Debenture, and the acceptance of any payment shall not constitute or create a novation, and the taking of a judgment or judgments under a covenant herein contained shall not operate as a merger of those covenants and affect the Holder's right to interest under this Debenture.

ARTICLE 13 - ADMINISTRATIVE PROVISIONS

13.1 TRANSFER OF DEBENTURE

13.1.1 Subject to any restrictions under applicable securities laws, this Debenture may be transferred or assigned by the Holder, together with the Pledges securing the payment and performance of the Indebtedness contemplated hereunder, with the prior written consent of the Company (not to be unreasonably withheld or delayed), provided, however, that any such transfer or assignment by the Holder to an affiliate of the Holder shall not require prior consent of the Company, upon the Holder delivering to the Company the Transfer Form attached as Schedule 4, and will only be effective with respect to the Company when delivered to the Company's Office accompanied by this Debenture Certificate. Thereupon, the Company will record such transfer on its books and issue a new debenture to the transferee in exchange for this Debenture Certificate.

13.2 REGISTERED HOLDERS

13.2.1 The person in whose name this Debenture Certificate shall be registered shall be deemed and regarded as the owner and holder hereof for all purposes.

13.2.2 The payment to and/or receipt by any Holder of any Indebtedness, including any Principal Sum or interest referred to herein, shall be a good discharge by the Company for the same, and subject to Article 16 - the Company shall not be bound to make any enquiries as to the title of any Holder or to recognise any trust.

ARTICLE 14 - – NOTICES

14.1 Any notice or communication to the Company or the Holder is duly given if in legible writing and in English and addressed to the addressee at the email address set out in Schedule 2 and signed by an authorised signatory of the sender, provided if sent by email, such notice or communication need not be marked for attention in the way stated in clause 8.1, but must state the first and last name of the sender, and are taken to be signed by the named sender.

14.2 Without limiting any other means by which a party may be able to prove that any notice or communication has been received by another party, such notice or communication is deemed to be received (a) if sent by hand, when delivered to the addressee; (b) if by post, 7 Business Days from and including the date of postage/on delivery to the addressee; or (c) if sent by email, when the sender receives an automated message confirming delivery; or five hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered, whichever happens first, but if the delivery or receipt is on a day which is not a Business Day or is after 5.00 pm (addressee's time) it is deemed to be received at 9.00 am on the following Business Day.

ARTICLE 15 - COMPLIANCE

15.1 PRIMACY OF APPLICABLE LAW

15.1.1 In carrying out their respective rights and obligations hereunder, the Parties shall be subject to, and comply with all applicable laws and regulations, and this Debenture Certificate shall be construed accordingly.

15.1.2 If any one or more of the provisions of this Debenture Certificate become invalid, illegal or unenforceable, the remaining provisions or parts severed therefrom and the validity, legality or enforceability of such remaining provisions shall not in any way be affected or impaired by such severance.

15.2 **INTEREST ACT**

For the purposes of this Debenture Certificate, whenever interest is calculated on the basis of a period which is less than the actual number of days in a calendar year, each rate of interest determined pursuant to such calculation is, for the purposes of the *Interest Act* (Canada), equivalent to such rate multiplied by the actual number of days in the calendar year in which such rate is to be ascertained and divided by the number of days used as the basis of such calculation.

15.3 **MAXIMUM INTEREST**

15.3.1 Regardless of any provision contained in this Debenture Certificate or any other related document, in no contingency or event whatsoever shall the aggregate of all amounts that are contracted for, charged or received by Holder pursuant to the terms of this Debenture Certificate or any other related document and that are deemed interest under applicable law exceed the highest rate permissible under any applicable law (including resulting in an amount or at a rate that would result in the receipt by Holder of interest at a criminal rate, as the terms "interest" and "criminal rate" are defined under the Criminal Code (Canada)), which a court of competent jurisdiction shall, in a final determination, deem applicable hereto.

15.3.2 No agreements, conditions, provisions or stipulations contained herein or in any other related documents or the exercise by Holder of the right to accelerate the payment or the maturity of all or any portion of the Obligations or the prepayment by the Company of any of the Obligations, or the occurrence of any contingency whatsoever, shall entitle Holder to charge or receive, in any event, interest or charges, amounts, premiums or fees deemed interest by applicable law (such interest, charges, amounts, premiums and fees referred to collectively as "**Imposed Interest**") in excess of the maximum rate allowable under applicable law and in no event shall the Company be obligated to pay Imposed Interest exceeding such maximum rate, and all agreements, conditions, or stipulations, if any, which may in any event or contingency whatsoever operate to bind, obligate or compel the Company to pay Imposed Interest exceeding the maximum rate allowable under applicable law shall be without binding force or effect, at law or in equity, to the extent only of the excess of Imposed Interest over such maximum rate.

15.3.3 If any Imposed Interest is charged or received in excess of the maximum rate allowable under applicable law ("**Excess**"), the Company acknowledges and stipulates that any such charge or receipt shall be the result of an accident and bona fide error, and such Excess, to the extent received, shall be applied first to reduce the principal Obligations and the balance, if any, returned to the Company, it being the intent of the parties hereto not to enter into a usurious or other illegal relationship.

15.3.4 For the purpose of determining whether or not any Excess has been contracted for, charged or received by Holder, all Imposed Interest at any time contracted for, charged or received from the Company in connection with this Debenture or any other related document shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread in equal parts throughout the full term of the Indebtedness.

ARTICLE 16 - – LAW AND JURISDICTION

16.1 Governing Law. This Debenture Certificate shall be governed by and construed in accordance with the laws of the Province of British Columbia, and without reference to its principles governing the choice or conflict of laws.

16.2 Jurisdiction: The courts of the Province of British Columbia shall have non-exclusive jurisdiction to adjudicate between the Company and the Holder with respect to any dispute arising with respect to this Debenture Certificate.

ARTICLE 17 - – MISCELLANEOUS

17.1 Binding effect: This Debenture Certificate shall inure for the benefit of the Holder and its permitted assignees and successors, and shall be binding upon the Company and its successors and permitted assigns. The expression the “Holder” as used in this Debenture Certificate shall include the Holder’s assigns whether immediate or derivative.

17.2 Headings. The headings of the articles and sections of this Debenture Certificate shall not define, limit, or enlarge the meaning of such provisions.

IN WITNESS WHEREOF the Company has duly executed these presents as of the date first above by its duly authorized officer.

ELEMENT 29 RESOURCES INC.

Per: *(signed) “Brian Booth”*
Authorised Signatory

Name: Brian R. Booth

Title: CEO

SCHEDULE 1 - DEFINITIONS

In this Debenture the following terms and rules of interpretation shall apply, except where inconsistent with the relevant subject matter or context.

1.1 DEFINITIONS"**Automatic Conversion**" has the meaning in Section 4.1.1;

"**Business Day**" means any day other than a Saturday, Sunday, legal holiday or a day on which banking institutions are closed in Vancouver, New York, Perth and London;

"**CAS**" means Candelaria Resources S.A.C. (Incorporation Number 13300085), a wholly owned subsidiary of the Company;

"**Company**" has the meaning in the Section "Background", and its permitted successors and assigns;

"**Common Shares**" means the common shares of the Company, as such shares are constituted on the date of this Debenture;

"**Conversion**" means an Automatic Conversion or Election Conversion, as applicable;

"**Debenture**" means the senior secured convertible debenture represented by this Certificate;

"**Debenture Certificate**" means this debenture certificate representing the Debenture, and any deed or instrument supplemental or ancillary thereto and any schedules hereto;

"**EAS**" means Elida Resources S.A.C. (Incorporation Number 12964903), a wholly owned subsidiary of the Company;

"**Effective Date**" means the date set out on the first page of this Debenture Certificate;

"**Event of Default**" means any one of the following events whatever the reason for such Event of Default:

(a) if the Company does not issue the Units upon a Conversion;

(b) default by the Company in the payment of Principal Sum, Interest or any other Indebtedness of the Debenture when due at the Maturity Date, or otherwise;

(c) if the Company, EAS, CAS or Richard Thomas Osmond, as applicable, fails to observe or defaults under any covenant or agreement of the Company set out in this Debenture Certificate, Subscription Agreement or the Pledges and such failure or default continues for the period of 15 (fifteen) Business Days following the service by the Holder of written notice on the Company at the Company's Office requiring the same to be remedied;

(d) if any representation or warranty made by the Company, EAS, CAS or Richard Thomas Osmond, as applicable, in the Subscription Agreement or the Pledges is found to be false or incorrect in any material respect (or in all respects if already qualified by materiality);

(e) if the Company and its Subsidiaries, as a whole, permanently ceases or threatens to permanently cease to carry on business;

(f) if the Company or any of its Subsidiaries makes a general assignment for the benefit of creditors; or any proceeding is instituted by it seeking relief as debtor, or to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding-up, reorganization, arrangement, adjustment or composition of it or its debts or for an order for similar relief under any law relating to bankruptcy, insolvency, reorganization or relief of debtors (including under any statutes relating to the incorporation of companies) or seeking appointment of a receiver or trustee, or other similar official for it or for any substantial part of its properties or assets; or any corporate or partnership action is taken to authorize any of the actions referred to in this Subsection (e);

(g) if any proceedings are instituted against the Company or any of its Subsidiaries seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding-up, reorganization, arrangement, adjustment or composition of it or its debts or an order for similar relief under any law relating to bankruptcy, insolvency, reorganization or relief of debtors (including under any statutes relating to the incorporation of companies) or seeking appointment of a receiver, trustee or other similar official for it or for any substantial part of its properties or assets, unless such proceedings are being diligently and promptly contested by the Company in good faith;

(h) if any proceedings with respect to the Company or any of its Subsidiaries are commenced under the *Companies' Creditors Arrangement Act* (Canada) or other similar bankruptcy or insolvency legislation applicable to the Company, unless such proceedings are being diligently and promptly contested by the Company or any of its Subsidiaries in good faith; or

(i) if the Company or any of its Subsidiaries takes any corporate proceedings for its dissolution, liquidation or if the corporate existence of the Company or any of its Subsidiaries shall be terminated by expiration, forfeiture or otherwise, or if the Company or any of its Subsidiaries ceases or threatens to cease, to carry on all or a substantial part of its business;

"**Excess**" has the meaning ascribed thereto in Section 15.3.3;

"**Holder**" has the meaning defined in the Section "The Background", and includes its permitted successors and assigns;

"**Increased Interest Rate**" means the rate of 10% (ten percent) per annum, being a 365 day year, compounded quarterly; provided, however, that (a) if the Pledge Execution has not occurred by the Pledge Execution Date or (b) if the Pledge Registration has not occurred by Pledge Registration Date, the rate shall be 12% (twelve percent) per annum from April 27, 2021 until the date the Pledge Execution or the Pledge Registration, as the case may be, has occured, being a 365 day year, compounded quarterly;

"**Indebtedness**" has the meaning ascribed thereto in Section 2.1;

"**Initial Interest Rate**" means the rate of 8% (eight percent) per annum, being a 365 day year, compounded quarterly; provided, however, that (a) if the Pledge Execution has not occurred by the Pledge Execution Date or (b) if the Pledge Registration has not occurred by Pledge Registration Date the rate shall be 10% (ten percent) per annum from the effective date of this Debenture until the date the Pledge Execution or the Pledge Registration, as the case may be, has occured, being a 365 day year, compounded quarterly;

"**Interim Financing**" means, other than a financing in connection with a Liquidity Event, any equity financing contemplated or completed by the Company following the Effective Date that involves the sale or issuance of Common Shares or securities convertible into or exercisable for Common Shares, as selected by the Holder;

"**Interim Financing Price**" means the applicable price at which Common Shares or securities convertible into or exercisable for Common Shares are sold or issued under an Interim Financing;

"**Liquidity Event**" means:

(a) the listing of the Common Shares on a recognised stock exchange acceptable to the Holder, together with a concurrent financing from arm's length third party investors of not less than a $5,000,000 (five million dollars);

(b) the sale of all of substantially all of the:

(i) issued and outstanding Common Shares; or

(ii) assets of the Company,

pursuant to a take-over, amalgamation, merger, arrangement, reverse takeover or any other corporate transaction, pursuant to which the shareholders of the Company or the Company receive consideration in the form of cash proceeds or securities of the resulting issuer or another entity listed on a recognised stock exchange acceptable to the Holder, together with a concurrent financing from arm's length third party investors of not less than $5,000,000 (five million dollars);

"**Liquidity Event Price**" means the implied price of a Common Share in connection with a Liquidity Event;

"**Maturity Date**" means April 27, 2021, provided that if [redacted] signs an agreement to vend in claims for 20% (twenty percent) of the Company prior to the Company listing on a recognized stock exchange (a "[redacted] **Transaction**"), then the Maturity Date shall be extended to the earlier of (i) date that is 365 days following the closing date of the [redacted] Transaction, or (ii) December 15, 2021;

"**person**" means an individual, corporation, partnership, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator, or other legal representative, or any group or combination thereof;

"**Pledges**" means, collectively, the pledge to be executed and delivered by the Company, EAS, Richard Thomas Osmond and the Holder and the pledge to be executed and delivered by the Company, CAS, Richard Thomas Osmond and the Holder, each to be executed as soon as practicable, providing for the grant of certain first ranking share pledges over all of the shares or equity interests of EAS and CAS to the Holder to secure the Indebtedness;

"**Pledge Execution**" means the due execution under public deed and delivery of the Pledges by the Company, EAS, CAS and Richard Thomas Osmond, as applicable (together with the original share certificates representing the relevant equity interests of EAS and CAS) to the Holder and the entry onto the share ledgers of EAS and CAS, as applicable, the Pledges;

"**Pledge Execution Date**" means June 26, 2020;

"**Pledge Registration**" means the registration of the Pledges with the Personal Property Contract Registry (as such term is defined in the Pledges);

"**Pledge Registration Date**" means July 26, 2020, or such later date determined by the parties and confirmed in writing by the Holder, such confirmation not to be unreasonably withheld or delayed;

"**Principal Sum**" means $1,500,000;

"**Share Reorganization**" has the meaning ascribed thereto in Section 6.2.1;

"**Subsidiary**" has the meaning given to that term in the *Business Corporations Act* (British Columbia);

"**Units**" means a unit consisting of one Common Share and one half of one Warrant to acquire an additional Common Share;

"**Warrant**" means a warrant entitling the holder to acquire one Common Share pursuant to the terms contemplated in the Warrant Certificate, which shall be exercisable for a period of three (3) years following the grant of the Warrant at an applicable exercise price equal to the deemed issue price of the Units upon an Automatic Conversion or Election Conversion; and

"**Warrant Certificate**" means a warrant certificate in substantially the form set out in Schedule 5.

1.2 INTERPRETATION

1.2.1 Plural, gender, etc. Whenever used in this Debenture, words importing the singular number only shall include the plural, and vice versa, and words importing the masculine gender shall include the feminine gender.

1.2.2 References: Unless otherwise stated, a reference herein to a numbered or lettered article, section, or Schedule, means the article, section, or Schedule in this Debenture.

1.2.3 Day not a Business Day. In the event that any day on or before which any action is required to be taken hereunder is not a Business Day, then such action shall be required to be taken on or before the requisite time on the next succeeding day that is a Business Day. If the payment of any amount is deferred for any period, then such period shall be included for purposes of the computation of any interest payable hereunder.

1.2.4 Currency. All references to dollars or to "$" shall be references to Canadian dollars unless otherwise specified.

SCHEDULE 2 - NOTICES

COMPANY	Element 29 Resources Inc.	
	Company's Office Address:	[redacted]
	E-mail:	[redacted]
	Fax number:	[redacted]
	Attention to:	Brian Booth
HOLDER	RCF Opportunities Fund L.P.	
	RCF's Office Address:	[redacted]
	E-mail:	[redacted]
	Fax number:	n/a
	Attention to:	General Counsel

SCHEDULE 3 - FORM OF CONVERSION NOTICE

TO: Element 29 Resources Inc. (the "**Company**")

The undersigned registered holder of the Debenture represented by Debenture Certificate No. 1 dated April 27, 2020 (the "**Debenture Certificate**") hereby elects to exercise its Election Conversion and hereby subscribes for ____________ Units of the Company, at a Conversion Price of $____________ **[insert applicable Election Conversion Price]** per Unit, on the terms specified in the Debenture Certificate, to the extent of $______________ of Principal Amount, $____________ of the accrued interest and $_________ of any other Indebtedness. The Debenture Certificate is hereby tendered to the Company and will, upon due issuance of the Units and, if required, any replacement Debenture Certificate for any portion of the Debenture not converted, be null and void.

The Common Shares and Warrants comprising the Units subscribed for will be issued as set forth below and will be delivered to the address set forth below.

Capitalized terms not defined in this Conversion Notice have the meanings ascribed to them in the Debenture Certificate.

DATED this day of , 20 .

If subscriber is a corporation:

____

By: ________________________________

Name: ________________________________

Title: ________________________________

If subscriber is an individual:

____ ____

Witness Signature of Subscriber

Print below the name and address in full of the person in whose name the Units subscribed for are to be issued. If the Units subscribed for are to be issued to more than one person, similar information must be provided for each person, as well as the number of Units to be issued to each.

Name:

Address:

SCHEDULE 4 - TRANSFER FORM

TO: ELEMENT 29 RESOURCES INC.(the “Company”)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto ______________________, whose address, is set forth below, this Debenture (or $_____________________ (principal amount hereof)) of the Company standing in the name of the undersigned and does hereby irrevocably authorize and direct the Company to transfer such Debenture in the register maintained by the Company with respect to such Debenture, if any, with full power of substitution in the premises.

Dated: ____

Address of Transferee: ____________________________________

____

(Street Address, City, Province and Postal Code)

____

Signature of transferring registered holder

SCHEDULE 5 – FORM OF WARRANT CERTIFICATE

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION; (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT; (C) PURSUANT-TO (I) RULE 144A UNDER THE SECURITIES ACT, IF AVAILABLE, OR (II) RULE 144 UNDER THE SECURITIES ACT, IF AVAILABLE OR (D) IN ACCORDANCE WITH ANY OTHER REGISTRATION EXEMPTION, EVIDENCED IN THE CASE OF A TRANSFER PURSUANT TO (C)(II) OR (D) ABOVE, BY AN OPINION OF COUNSEL OF RECOGNIZED STANDING AND REASONABLY ACCEPTABLE TO THE CORPORATION AND THE TRANSFER AGENT, TO THE EFFECT THAT AN EXEMPTION FROM REGISTRATION IS AVAILABLE UNDER THE SECURITIES ACT AND APPLICABLE STATE LAWS. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA OR ELSEWHERE.

SO LONG AS THE CORPORATION REMAINS A "FOREIGN ISSUER" AS DEFINED IN SEC REGULATION S, A NEW CERTIFICATE BEARING NO LEGEND (OTHER THAN AS MAY BE REQUIRED BY LAWS OF A JURISDICTION OTHER THAN CANADA OR THE UNITED STATES) MAY BE OBTAINED FROM THE CORPORATION'S TRANSFER AGENT UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO THE TRANSFER AGENT AND THE CORPORATION, TO THE EFFECT THAT THE SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 903 OR RULE 904 OF SEC REGULATION S UNDER THE SECURITIES ACT.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE LATER OF (I) <@> [INSERT THE DISTRIBUTION DATE OF THE DEBENTURE], AND (II) THE DATE THE ISSUER BECAME A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY.

CERTIFICATE NO.: [insert]

SHARE PURCHASE WARRANT

ELEMENT 29 RESOURCES INC.

(Incorporated under the laws of British Columbia)

This is to certify that, for value received, <@> (the "**Warrant Holder**"), of <@> **[NTD: Address of holder]**, has the right to purchase from ELEMENT 29 RESOURCES INC. (the "**Company**"), upon and subject to the terms and conditions hereinafter referred to, <@> common shares (the "**Shares**") of the Company exercisable on or before 5:00 p.m. (Vancouver time) (the "**Expiry Time**") on <@> (the "**Expiry Date**") **[NTD: date that is three years from grant]**, at the price of $<@> per Share **[NTD: price to be determined as set out in the Debenture]** (the "**Exercise Price**"), payable in lawful money of Canada, provided, however, that portion of the the warrants represented by this Warrant Certificate (the "**Warrants**") will not be exercisable by the Warrant Holder if the Warrant Holder would hold, following such exercise, greater than 9.99% of the issued and outstanding Shares of the Company, on an as converted basis, which assumes the exercise or conversion of any securities held by the Warrant Holder exercisable or convertible into Shares of the Company.

The right to purchase the Shares herein granted may only be exercised by the Warrant Holder within the time hereinbefore set out by:

(a) duly completing and executing the warrant exercise form attached hereto as Schedule "A" (the "**Warrant Exercise Form**") in the manner therein indicated;

(b) delivering the Warrant Exercise Form and this Warrant Certificate to the offices of the Company at <@>; and

(c) paying the appropriate aggregate Exercise Price for the Shares subscribed for either in cash or by certified cheque payable at par in Vancouver, British Columbia.

Within two (2) business days of receiving the Warrant Exercise Form, this Warrant Certificate and the appropriate aggregate Exercise Price, the Company will mail to the Warrant Holder a certificate evidencing the Shares subscribed for, provided, however, the Company agrees that the Shares purchased pursuant to the exercise of the Warrants shall be and be deemed to be issued to the Warrant Holder as of the close of business on the date on which this Warrant Certificate shall have been surrendered and Exercise Price paid for such Shares as aforesaid. If the Warrant Holder subscribes for a lesser number of Shares than the number of Shares referred to in this Warrant Certificate, the Company shall at such time also cause to be delivered to the Warrant Holder a Warrant Certificate in respect of the Shares referred to in this Warrant Certificate but not subscribed for.

The number and type of securities which may be subscribed for upon exercise of the Warrants shall be subject to adjustment from time to time as follows:

(a) If and whenever at any time prior to the Expiry Time the Company:

(i) subdivides or redivides the outstanding Shares into a greater number of Shares;

(ii) reduces, combines, or consolidates the outstanding Shares into a smaller number of Shares; or

(iii) issues any Shares to the holders of all or substantially all of the outstanding Shares by way of a stock dividend,

(any of such events, a "**Share Reorganization**"), then the number of Shares that the Warrant Holder shall be entitled to receive upon the exercise of the Warrants on and at any time after the effective date of such Share Reorganization, or on the record date for such issue of Shares by way of a stock dividend, as applicable:

(iv) shall be increased in the case of the events referred to in items (i) and **Error! Reference source not found.** above, in the proportion which the number of Shares outstanding prior to such event (including Shares underlying exchangeable or convertible securities referred to in) bears to the number of Shares after such event; or

(v) shall be decreased in the case of the events referred to in item **Error! Reference source not found.**, in the proportion which the number of Shares outstanding prior to such event bears to the number of Shares outstanding after such event,

and in each case the Exercise Price set out above at which the exercise shall occur pursuant to this Warrant Certificate will be adjusted to reflect the change in the number of Shares that become issuable under this provision. Any issue of Shares by way of a stock dividend as provided in item **Error! Reference source not found.** above shall be deemed to have been made on the record date fixed for such stock dividend for the purpose of calculating the number of outstanding Shares under this provision.

(b) In the case of any reclassification of, or other change in, the outstanding Shares other than a subdivision, redivision, reduction, combination or consolidation, or any other event (including a compulsory acquisition) pursuant to which all of the Shares are changed into or exchanged, or deemed to be changed into or exchanged for other shares or other securities, property or cash (other than a Share Reorganization) or a consolidation, amalgamation, arrangement or merger of the Company with or into any other corporation or other entity (other than a consolidation, amalgamation, arrangement or merger which does not result in any reclassification of the outstanding Shares or a change or exchange of outstanding Shares into other shares or other securities, property or cash), or a sale, conveyance or transfer of the undertaking or assets of the Company as an entirety or substantially as an entirety to another corporation or entity in which the holders of Shares are entitled to receive shares, other securities, property or cash (any of such events being herein called a "**Capital Reorganization**"), the Warrant Holder shall be entitled to receive upon exercise of the Warrants, and shall accept in lieu of the number of Shares to which it was theretofore entitled upon such exercise, the kind and amount of shares and other securities or property which the Warrant Holder would have been entitled to receive as a result of such Capital Reorganization if, on the effective date thereof, it had been the registered holder of the number of Shares to which it was theretofore entitled upon exercise. If necessary, appropriate adjustments shall be made in the application of the provisions set forth in this provision with respect to the rights and interests thereafter of the Warrant Holder to the end that the provisions set forth in this provision shall thereafter correspondingly be made applicable as nearly as may be possible in relation to any shares or other securities or property thereafter deliverable upon the exercise of the Warrant.

(c) In the event and whenever the Company shall issue or distribute to all or substantially all the holders of Shares (i) shares of the Company of any class; (ii) rights, options or warrants; (iii) evidences of indebtedness; or (iv) any other assets or securities and if such issuance or distribution does not result in an adjustment as provided for above, the applicable Exercise Price set out above at which the exercise shall occur pursuant to this Warrant Certificate shall be adjusted effective immediately before the record date at which the holders of Shares are determined for purposes of any such issuance or distribution as aforesaid in such manner as the directors of the Company determine to be appropriate on a basis consistent with this provision.

(d) For the purposes hereof, any adjustment shall be made successively whenever an event referred to above shall occur, and upon the occurrence of each adjustment or readjustment of the number of Shares issuable pursuant to the exercise rights represented by this Warrant Certificate, the Company, at its expense, shall promptly compute such adjustment or readjustment in accordance with the terms hereof and, upon request of the Warrant Holder, prepare and furnish to the Warrant Holder a certificate setting forth such adjustment or readjustment, showing in detail the facts upon which such adjustment or readjustment is based; and if a dispute shall at any time arise with respect to adjustments to the number of Shares issuable pursuant to the exercise rights represented by this Warrant Certificate, such disputes shall be conclusively determined by the Company's auditors or, if they are unable or unwilling to act, by such other firm of independent chartered accountants as may be selected by action by the directors of the Company and any such determination shall be conclusive evidence of the correctness of any adjustments made.

U.S. Registration

The Warrants represented hereby and the Shares which may be acquired hereunder have not been registered under the United States Securities Act of 1933, as amended (the "**1933 Act**") or applicable state securities laws, and the Warrants evidenced by this certificate may not be exercised by or on behalf of any "U.S. Person", as such term is defined in Regulation S under the 1933 Act, or a person within the United States unless registered under the 1933 Act or pursuant to an applicable exemption from registration under the 1933 Act and applicable state securities laws.

Any Shares issued upon exercise of the Warrants (including any Shares issued upon exercise of the remaining Warrants) shall bear the following legend:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES

> ACT") OR ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION; (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT; OR (C) PURSUANT TO (I) RULE 144A UNDER THE SECURITIES ACT, IF AVAILABLE, OR (II) RULE 144 UNDER THE SECURITIES ACT, IF AVAILABLE, OR (D) IN ACCORDANCE WITH ANY OTHER REGISTRATION EXEMPTION, EVIDENCED IN THE CASE OF A TRANSFER PURSUANT TO (C)(II) OR (D) ABOVE, BY AN OPINION OF COUNSEL OF RECOGNIZED STANDING AND REASONABLY ACCEPTABLE TO THE CORPORATION AND THE TRANSFER AGENT, TO THE EFFECT THAT AN EXEMPTION FROM REGISTRATION IS AVAILABLE UNDER THE SECURITIES ACT AND APPLICABLE STATE LAWS. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA OR ELSEWHERE.
>
> SO LONG AS THE CORPORATION REMAINS A "FOREIGN ISSUER" AS DEFINED IN SEC REGULATION S, A NEW CERTIFICATE BEARING NO LEGEND (OTHER THAN AS MAY BE REQUIRED BY LAWS OF A JURISDICTION OTHER THAN CANADA OR THE UNITED STATES) MAY BE OBTAINED FROM THE CORPORATION'S TRANSFER AGENT UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO THE TRANSFER AGENT AND THE CORPORATION, TO THE EFFECT THAT THE SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 903 OR RULE 904 OF SEC REGULATION S UNDER THE SECURITIES ACT.

Any Shares issued upon exercise of the Warrants prior to the date that is the later of 4 months and a day after <@> **[NTD: to be the date of the issuance of the debenture]** and the date that the Company becomes a reporting issuer in any province or territory of Canada shall bear the following legend:

> UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE LATER OF (I) <@> [INSERT THE DISTRIBUTION DATE OF THE DEBENTURE], AND (II) THE DATE THE ISSUER BECAME A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY.

Upon receipt by the Company of evidence reasonably satisfactory to it of the ownership of and the loss, theft, destruction or mutilation of this Warrant Certificate and (in case of loss, theft or destruction) of indemnity reasonably satisfactory to it, and in case of mutilation, upon surrender and cancellation hereof, the Company will execute and deliver in lieu hereof a new certificate representing the Warrants of like tenor.

Subject to any restrictions under applicable securities laws, the Warrant may be transferred or assigned by the Warrant Holder upon the Warrant Holder delivering to the Company the Transfer Form attached as Schedule "B", and will only be effective with respect to the Company when delivered to the Company accompanied by this Warrant Certificate. Thereupon, the Company will record such transfer on its books and issue a new warrant certificate to the transferee in exchange for this Warrant Certificate.

The Company may treat the registered holder of this Warrant Certificate as an absolute owner of the Warrant represented hereby for all purposes, and the Company shall not be affected by any notice or knowledge to the contrary except where the Company is required to take notice by statute or by order of a court of competent jurisdiction.

Nothing contained herein shall confer any right upon the Warrant Holder or any other person to subscribe for or purchase any Shares at any time subsequent to 5:00 PM Vancouver time on the Expiry Date, and from and after such time the Warrants and all rights hereunder shall be void and of no value.

The Company hereby represents and warrants that it is authorized to create and issue the Warrants and covenants and agrees that it will cause the Shares from time to time subscribed for and purchased in the manner provided in this Warrant Certificate and the certificate or certificates representing such Shares to be issued and that, at all times prior to the Expiry Time, it will reserve and there will remain unissued a sufficient number of Shares to satisfy the right of purchase provided for in this Warrant Certificate. All Shares which are issued upon the exercise of the right of purchase provided in this Warrant Certificate, upon payment therefor of the amount at which such Shares may be purchased pursuant to the provisions of this Warrant Certificate, shall be and be deemed to be fully paid and non-assessable shares and free from all taxes, liens and charges with respect to the issue thereof. The Company hereby represents and warrants that this Warrant Certificate is a valid and enforceable obligation of the Company, enforceable in accordance with the provisions of this Warrant Certificate.

The holding of the Warrants shall not constitute the Warrant Holder a shareholder of the Company.

Time shall be of the essence hereof.

IN WITNESS WHEREOF, Element 29 Resources Inc. has caused this Warrant Certificate to be signed by its duly authorized signing officer as of the <@> day of <@>.

ELEMENT 29 RESOURCES INC.

By: ________________________________

Authorized Signatory

SCHEDULE "A"

WARRANT EXERCISE FORM

TO: ELEMENT 29 RESOURCES INC.

The undersigned registered holder of the warrant certificate to which this Warrant Exercise Form is attached (the "**Warrant Certificate**") hereby irrevocably subscribes for __________________ common shares ("**Shares**") of **ELEMENT 29 RESOURCES INC.** (the "**Company**") pursuant to the Warrant Certificate at the purchase price per share specified in the said Warrant Certificate and encloses herewith cash or by certified cheque payable to the order of the Company in payment of the subscription price therefor.

If any Warrants represented by this Warrant Certificate are not being exercised, a new warrant certificate for such remaining Warrants will be issued and delivered with the certificate for the Shares being purchased.

DATED this day of , 20 .

If subscriber is a corporation:

____

By: ________________________________

Name: ________________________________

Title: ________________________________

If subscriber is an individual:

____	____
Witness	Signature of Subscriber

Print below the name and address in full of the person in whose name the Warrants subscribed for are to be issued.

Name:

Address:

As at the time of exercise hereunder, the undersigned represents, warrants and certifies as follows **(check one)**:

A. ☐ The undersigned hereby certifies that it (i) is not in the United States (as defined in Regulation S ("**Regulation S**") under the United States Securities Act of 1933, as amended (the "**1933 Act**"); (ii) is not a U.S. Person as defined in Regulation S; (iii) is not exercising the Warrants on behalf of, or for the account or benefit of, a U.S. Person or a person in the United States; (iv) did not acquire the Warrants in the United States or on behalf of or for the account or benefit of a U.S. Person or a person in the United States; (v) did not receive an offer to exercise the Warrants in the United States; and (vi) did not execute or deliver this Warrant Exercise Form in the United States, and has, in all other respects, complied with the terms of Regulation S in connection herewith.

B. ☐ The undersigned hereby certifies that it is the original purchaser from the Company of the Warrants being exercised and at the time of such acquisition was a U.S. Person or was in the United States (or was acting on behalf of, or for the account or benefit of, a U.S. Person or a person in the United States), and confirms, as of the date of hereof, each of the representations, warranties, certifications and agreements made by it in connection with its acquisition of such Warrants, including, without limitation, its status as an "accredited investor" within the meaning of Rule 501(a) of Regulation D under the 1933 Act, as though such representations, warranties, certifications and agreements were made on the date hereof and in respect of the acquisition of the common shares issuable upon exercise of the Warrants being exercised.

C. ☐ The undersigned hereby certifies that an exemption from the registration requirements of the 1933 Act and all applicable state securities laws is available for the exercise of the Warrants, and attached hereto is a written opinion of U.S. counsel or other evidence in form and substance reasonably satisfactory to the Company to that effect.

It is understood that the Company may require evidence to verify the foregoing representations.

Notes:

(1) Certificates representing Shares will not be registered or delivered to an address in the United States unless box B or C immediately above is checked and the applicable requirements have been satisfied.

(2) If Box C above is checked, holders are encouraged to consult with the Company in advance to determine that the legal opinion tendered in connection with the exercise will be satisfactory in form and substance to the Company.

Terms not otherwise defined herein have the meanings as set out in the Warrant Certificate.

DATED this ____________ day of __________, ________.

____
(Signature)

SCHEDULE "B"

TRANSFER FORM

TO: **ELEMENT 29 RESOURCES INC**.

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto ______________________, whose address, is set forth below, ________ warrants of the Company (the "**Warrants**") represented by this warrant certificate standing in the name of the undersigned and does hereby irrevocably authorize and direct the Company to transfer such Warrants in the register maintained by the Company with respect to such Warrants, if any, with full power of substitution in the premises.

Dated: ____

Address of Transferee: ____________________________________

____
(Street Address, City, Province and Postal Code)

____
Signature of transferring registered holder